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ABSTRACT

These proceedings include the texts of papers and group discussions presented at a national forum on entrepreneurship education. Included in the volume are the following presentations: "Welcoming Remarks--National Entrepreneurship Forum" by Robert E. Taylor; "Critical Issues Surrounding Entrepreneurship Education--Present, Past, Future--A Federal Perspective" by Robert M. Worthington; "Franchising: The Beginning Entrepreneur's Training Ground" by Andrew Kostecka; "The Importance of the Small Business Sector to the American Economy" by Frank Swain; "Meshing the Federal, State, and Local Initiatives" by Charles Liner; "An Educational Program for Minority Business Development" by John Russell; "Resources Available to the Entrepreneur" by Donald M. Clark; "Resources Available to the Entrepreneur" by Mary Hanrahan; "How Can We Get Support for Entrepreneurship?"--a panel discussion by Betsy Schwammberger, Mary Anderton Williams, and Ed Davis; "Resources Available to the Entrepreneur" by Carol Eliason; "Project to Promote Economic Development through Entrepreneurship Education and Training" by Jerry Davis; "Group Model Programs" by Betsy Schwammberger; "Entrepreneurial Training: Tapping Community Resources" by Barry Palmer; "The Pennsylvania Small Business Development Centers: A Unique Resource for Small Business" by Susan M. Garber; "Entrepreneurship Training and Education in Minnesota" by Lynda Rago; "Identifying Entrepreneur Characteristics" by James W. Kunz; "Collaboration Model--JTPA and Vocational Education" by Darrell L. Parks; "Incubation Models" by Marj P. Leaming; "How I Became an Entrepreneur" by Graydon Webb; "What We Know about the Entrepreneur" by William Dunkelberg; and "Educating and Training the Potential and Existing Entrepreneur"--a panel discussion by David Gillette, David Harriman, and John Frazier. A description of the Minnesota Small Business Management Program and a series of self-discovery instruments are appended. (MN)

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Second Annual

National Entrepreneurship Education Forum

Proceedings of a Conference

September 5-6, 1984

U.S. DEPARTMENT OF EDUCATION
NATIONAL INSTITUTE OF EDUCATION
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THE NATIONAL CENTER
FOR RESEARCH IN VOCATIONAL EDUCATION
THE OHIO STATE UNIVERSITY
1960 KENNY ROAD · COLUMBUS, OHIO 43210

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- Generating knowledge through research
- Developing educational programs and products
- Evaluating individual program needs and outcomes
- Providing information for national planning and policy
- Installing educational programs and products
- Operating information systems and services
- Conducting leadership development and training programs

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TABLE OF CONTENTS

PREFACE v

INTRODUCTION 1

Welcoming Remarks—National Entrepreneurship Education Forum 3

FEDERAL AGENCIES 9

Critical Issues Surrounding Entrepreneurship Education—Present, Past, Future—
A Federal Perspective 11
Franchising: The Beginning Entrepreneur's Training Ground 23
The Importance of the Small Business Sector to the American Economy 31
Meshing the Federal, State, and Local Initiatives 41

RESOURCES AVAILABLE TO THE ENTREPRENEUR 43

Minority Business Development Agency, U.S. Department of Commerce 45
National Association for Industry-Education Cooperation 53
Office of Vocational and Adult Education, U.S. Department of Education 57
National Federation of Independent Business 61
Control Data Business Advisors, Small Business Services Company 65
Distributive Education Clubs of America 77

MODEL PROGRAMS 81

National Small Business Training Network, American Association of Community
and Junior Colleges 83
Entrepreneurship Education Project, Oklahoma State University 87
National Federation of Independent Business 89
Lehigh County Community College 93
Pennsylvania Small Business Development Center, Wharton School, University
of Pennsylvania 97
Minnesota State Board of Vocational-Technical Education 101
National Research Center for College and University Admissions 105
Ohio Department of Education 111
Colorado State Board for Community Colleges and Occupational Education 119

A DAY IN THE LIFE OF AN ENTREPRENEUR 127

How I Became an Entrepreneur 129
What We Know About the Entrepreneur 137

SMALL GROUP OUTCOMES 149

APPENDICES 159

A. Minnesota Small Business Management Program 161
B. S.Q., E.Q., and C.Q. Self Discovery Instruments 167
C. Forum Agenda 181
D. Revised Participant List 189

PREFACE

These proceedings represent a compilation of the papers presented at the second annual "National Entrepreneurship Education Forum"—an activity conducted by the National Center for Research in Vocational Education under the sponsorship of the U.S. Department of Education, Office of Vocational and Adult Education. As one of a series of national-level activities designed to promote the infusion of entrepreneurial concepts into vocational education curricula, the Forum's basic purpose was to promote the free exchange of ideas and opinions among participants. The information presented here, therefore, does not necessarily represent the positions or policies of either the U.S. Department of Education or the National Center for Research in Vocational Education.

Only the transcribed speeches in this document were edited or formatted. The papers have been organized according to their classification on the agenda. The appendix contains a complete list of Forum participants, agenda, and selected attachments.

We sincerely appreciate the effort and thought behind each of these papers, and the commitment to entrepreneurship education demonstrated by Forum participants. With such enthusiasm and support behind us, we are continuing toward achieving our ultimate goal: the development of a nationwide support network for entrepreneurship education in the United States.

Entrepreneurship Project Staff
The National Center for Research in Vocational Education
September 1984

Introduction

"Welcoming Remarks -
National Entrepreneurship Education Forum"

by

Robert E. Taylor
Executive Director
The National Center for Research in Vocational Education

I want to welcome you on behalf of the National Center for Research in Vocational Education and the Ohio State University. We are very pleased to be able to host you here at the National Center, and to have the opportunity to work with you on such an important and exciting topic as entrepreneurship education.

Today, small businesses employ between 36% and 49% of the American labor force, depending on whose figures we use. (The discrepancy has to do with what figure we use for how many employees constitute a small business.) Regardless of the statistics, we know that small businesses contribute substantially to the job growth of this nation, and it seems virtually certain that entrepreneurship and entrepreneurship education will continue to play a predominant role in the economy of the United States. Social analysts, economists, and futurists - for example, Alvin Toffler in The Third Wave, and John Naisbitt in Megatrends - anticipate what might be termed an entrepreneurial explosion in the next decade.

Here at the National Center, we believe that a major goal of all state and national industrial policies must be the generation and preservation of jobs, and that means that our policies should emphasize expanding and enhancing home industries and small businesses, as much as attracting large industry.

Today's serious unemployment problems can be attributed in part to basic and permanent changes in our country's social and economic structure. Some of these developments - an older population, greater dependence on the "new" technologies, the shift from a manufacturing to a service economy - result in a significant number of what we have

come to call displaced workers. Self-employment has become one of the more viable and attractive options for a growing number of these people.

The British have an interesting plan called the Enterprise Allowance Scheme that I want to tell you about briefly. The program helps unemployed people who want to set up a business. It does this by paying a flat rate allowance of 40 pounds every week for up to one year, and by providing advice and guidance from experienced business counselors. The allowance is very important, since a frequent dis-incentive for many unemployed persons is the loss of unemployment benefits upon starting a business. To be eligible, applicants must be receiving benefits, have been out of work or on notice for at least 13 weeks, and have a minimum of 1000 pounds to invest. In return, the government invests up to 2000 pounds (in per week allowance). There is no test of the likely viability of the proposed business. (This is to avoid telling applicants, "No, we will not pay you to try your idea. Better to remain unemployed and another government department will pay you for doing nothing.)

The Enterprise Allowance Scheme started as a pilot program in early 1982, and became nationally available August 1, 1983. About 2% of the total unemployed have become part of the scheme. The cost on a one year basis is broadly comparable to that of other employment measures, and when the continuing effects are considered, i.e. survival of businesses beyond the 1st year - the net cost is very low.

Entrepreneurship education is critical to facilitating small business development, as well as to reducing the record number of small business failures that have been occuring recently. Fifty percent of all small businesses fail or for some reason close within two years of their birth. Most of these are created by individuals who

have never had any formal training or assistance on how to plan, establish, start up, and maintain a small business.

The training needs of small businesses are the most difficult to serve through conventional policy initiatives because they generally do not generate enough new jobs at any one time to qualify for subsidized customized training. Nor do they usually have the capital to contract with postsecondary institutions for training, or to provide tuition reimbursement programs for their employees.

For these reasons, the National Center established an information network last year through our Entrepreneurship Education Task Force Effort. Although there are many organizations and institutions attempting to address the need for entrepreneurship education, there was no established, formal linkage. The commitment and dedication of many of you here today made our first year's efforts in this direction successful. Currently, the activities of the network are focused particularly on the displaced adult. Another major thrust is our new Consortium, but more on that later.

The National Center has been working actively in the field of entrepreneurship education since 1976. Perhaps our most significant contribution in this area is PACE - a Program for Acquiring Competence in Entrepreneurship, first published in 1978, and revised in 1983. PACE is a set of 54 instructional modules designed primarily for secondary and postsecondary levels. It is meant to address the need to prepare people for self-employment through a flexible and adaptable format that can be geared to a variety of individual requirements and educational settings. The modules are presented at three different levels: planning and preparing for entrepreneurship, establishing a small business, and maintaining a small business.

Other products and publications in support of entrepreneurship education developed at the National Center include:

Entrepreneurship Resources (1978)

Job Creation: Implications for Voc Ed (1979)

Entrepreneurship for Women (1981)

Work, Employment and the New Economics (1981)

Update on Entrepreneurship (1982)

Entrepreneurship in Voc Ed: A Program Planner's Guide (1982)

The Entrepreneurs of Entrepreneurship (1982)

A National Entrepreneurship Education Agenda for Action (1984)

Beyond a Dream: An Instructor's Guide for Small Business Exploration (1985)

Vocational education provides an excellent opportunity for fostering the development of entrepreneurs. Dr. Calvin Kent, director of the Center for Private Enterprise and Entrepreneurship at Baylor University, has found that of all educational programs, vocational education is the one that contributes most positively to the creation of entrepreneurs. From his database of over 1,500 entrepreneurs, he has discovered that participation in vocational education highly correlates with being an entrepreneur.

According to the National Center's analysis of the National Longitudinal Survey youth database, we know that male vocational education concentrators, that is males who take at least 3 courses per year, are about 8 times as likely to be self-employed as all other high school graduates between the ages of 17 and 33. (However, the experience for women is different. Women who took secondary vocational education are seldom self-employed. This is not likely a result of having taken vocational education courses, but rather of traditional socio-economic patterns.)

We are also aware that vocational education's distributive education programs have been preparing young people to start their own businesses for some time. Other activities, particularly those in agriculture, as well as those available through the various youth clubs and groups, are designed to develop competencies that contribute to successful entrepreneurship as well.

As I mentioned before, during the past year the Entrepreneurship Education Network project was created to help foster formal, established linkages among entrepreneurship educators. The Network project operated in conjunction with both the U. S. Department of Education's Entrepreneurship Task Force, and the Promote Economic Development Through Entrepreneurship Education and Training project at Oklahoma State University.

Out of this effort grew the impetus to establish and maintain a National Entrepreneurship Education Consortium to serve as a national platform from which participating states could provide concerted direction to the overall entrepreneurship education movement. Currently, 24 states have joined the Consortium. Through this effort we hope to:

- Develop a leadership role for vocational education in the movement to support entrepreneurhsip education nationwide
- Foster linkages with external organizations
- Share program ideas and provide support services to members
- Encourage collaborative strategies between all levels of entrepreneurship education delivery systems
- Disseminate and promote the use of research findings and curricular products
- Maintain a referral service and provide technical assistance
- Serve as a focal point for planning

Other possible activities include a monthly newsletter, a news release service, an entrepreneurship education resource database, teleconferences, and commercial publication and sale of products. As you know, we are very excited about this Consortium. I indicated that the above-mentioned activities and projects are possible. I want to emphasize that the Consortium members themselves will actually control its agenda, and their needs and priorities will determine future action.

In conclusion, then, I am glad that the National Center is involved with you in what we all believe to be an effort crucial to the health and economic wellbeing of this nation. All of us here at the Center are ready to provide any help and assistance you may need during this Forum, and I wish you a useful and exciting 2 days.

Federal Agencies

"Critical Issues Surrounding Entrepreneurship Education--
Present, Past, Future--A Federal Perspective"

by

Robert M. Worthington
Assistant Secretary
Office of Vocational and Adult Education
U.S. Department of Education

We find it very exciting to know that national concerns, issues and goals are being addressed by so many dedicated professionals. We respect your expertise and commend you for the special service you provide. I would imagine that many of you have come to this forum to satisfy your networking needs. And I commend you for that too, because we are now at a stage of development where we need to share information, to support one another, and to find practical ways to inform the public we serve about our collective resources and talents. I am grateful to Bob Taylor and his staff here at the Center for providing this opportunity for all of us to meet together.

One of my first actions when I became Assistant Secretary in 1981, was to establish an internal Task Force on Entrepreneurship Education. This action reflected my overall priority to promote entrepreneurship education. Nearly four years have gone by and I am pleased with what has been accomplished: we have served as an advocate and a catalyst for entrepreneurship education; we have coordinated efforts with other government agencies; we have initiated a range of specific Departmental actions and national projects; we have looked to the future by anticipating needs and assessing the place of entrepreneurship education in our educational system.

But the national interest in entrepreneurship education began well before 1981. In the early 70's the major thrust of federal leadership was directed toward the expansion of minority businesses.

Pursuant to a Presidential Executive Order, a Cabinet level Interagency Council for Minority Business Enterprise was established by the Secretary of Commerce in 1971. The issue then, as it is today, was to address the dramatic lag in minority participation in American business ownership. It was obvious that long standing inequities had restricted the entry of minorities into the mainstream of the nation's free enterprise system. Recognizing that education and training were at the heart of the problem, the Council requested the then Department of Health, Education and Welfare to establish a Task Force on Education and Training for Minority Business Enterprise. At that time, in 1972, I was serving as the Associate Commissioner of Adult, Vocational and Technical Education in the United States Office of Education (U.S.O.E.) and I was appointed by Health, Education and Welfare Secretary Elliott Richardson to head the Task Force.

THAT TASK FORCE, COMPOSED OF 73 MEMBERS REPRESENTING FEDERAL AND NON-FEDERAL INTERESTS, THE PRIVATE SECTOR, AND MAJORITY AND MINORITY POPULATIONS, FUNCTIONED FOR 18 MONTHS. ITS PURPOSE WAS TO SHAPE A NATIONAL EDUCATION AND TRAINING POLICY AND PROGRAM FOR PROVIDING BUSINESS MANAGEMENT SKILLS TO EXISTING AND POTENTIAL MINORITY ENTREPRENEURS, AS WELL AS TO MOLD A SYSTEM FOR INTRODUCING MINORITY YOUTH TO THE POTENTIALS OF BUSINESS OWNERSHIP AS A CAREER.

THE TASK FORCE TAPPED THE RESOURCES OF ITS MEMBERSHIP AND HELD PUBLIC HEARINGS ACROSS THE NATION. IT EXAMINED EXISTING EDUCATION PROGRAMS AND SOUGHT THE ADVICE OF GOVERNMENT OFFICIALS, EDUCATORS, BANKERS, ETHNIC GROUPS, COMMUNITY LEADERS, AND MINORITY ENTREPRENEURS. THE CONCLUSIONS AND RECOMMENDATIONS REACHED, WHICH WERE PUBLISHED IN A REPORT IN 1974, ARE WORTHY OF OUR ATTENTION AND STUDY. WHILE MUCH PROGRESS HAS BEEN MADE, THE ISSUES RAISED THEN ARE EQUALLY AS PERTINENT TODAY.

THE TASK FORCE CONCLUDED THAT THE HIGH FAILURE RATE OF MINORITY OWNED BUSINESSES AND THE CRITICAL ELEMENT IN BUSINESS SURVIVAL AND GROWTH WERE RELATED TO MANAGEMENT CAPABILITIES.

ONE SUCESSFUL ENTREPRENEUR THAT I READ ABOUT RECENTLY SAID "THE FOUR CRUCIAL ELEMENTS OF SUCCESS IN BUSINESS ARE MANAGEMENT, MANAGEMENT, MANAGEMENT, AND A SUPERIOR PRODUCT". THE DEVELOPMENT OF MANAGEMENT TALENT IS ONE MAJOR CONTRIBUTION WE AS EDUCATORS CAN MAKE. AND AS THE TASK FORCE SAID, THE EDUCATION AND TRAINING PROGRAMS WE DELIVER MUST BECOME AN INTEGRAL PART OF THE NATIONAL STRATEGY TO EXPAND MINORITY BUSINESS OWNERSHIP.

THE FINAL FINDING OF THE TASK FORCE SPEAKS TO AN ISSUE WHICH A DECADE LATER IS STILL A MATTER OF CONCERN TO ALL OF US: THAT ENTREPRENEURSHIP AS A CAREER OPPORTUNITY FOR MINORITY YOUTH IS GIVEN INADEQUATE ATTENTION WITHIN THE TOTAL EDUCATIONAL SYSTEM.

WHILE THE TASK FORCE REPORT DIRECTED ITS ATTENTION TO THE NEEDS OF MINORITY POPULATIONS, ITS RECOMMENDATIONS HAVE SERVED TO ADVANCE THE CAUSE OF ENTREPRENEURSHIP EDUCATION AND SMALL BUSINESS DURING THE PAST DECADE, AND CERTAINLY HAVE GIVEN IMPETUS TO SPECIFIC UNDERTAKINGS DURING THE INTERVENING YEARS.

SOME OF THE RECOMMENDATIONS MADE IN 1974 INCLUDED:

1. ESTABLISHING CLEAR DIRECTION AT THE NATIONAL LEVEL;
2. COORDINATING RESOURCES AT THE STATE AND LOCAL LEVELS;
3. ESTABLISHING A DELIVERY SYSTEM AT THE LOCAL LEVEL;
4. IMPROVING CURRICULA AND TEACHING RESOURCES;
5. SUPPORTING FORMAL EDUCATION FOR BUSINESS OWNERSHIP;
6. DEVELOPING PILOT CAREER AWARENESS PROGRAMS FOR FUTURE ENTREPRENEURS;
7. ESTABLISHING WORK EXPERIENCE PROGRAMS FOR POTENTIAL ENTREPRENEURS AND;
8. RECOGNIZING CULTURAL, SOCIAL, AND ECONOMIC VARIABLES AMONG TARGET GROUPS.

DURING THE PAST TEN YEARS THE UNITED STATES DEPARTMENT OF EDUCATION HAS MAINTAINED A CONSISTENT AND AGGRESSIVE PATTERN OF MATERIALS DEVELOPMENT. ONE OF THE FIRST PROJECTS FUNDED BY U.S.O.E. FOLLOWING THE REPORT OF THE TASK FORCE, WAS A PROJECT CALLED SMALL BUSINESS OWNERSHIP FOR GRADES 7-9. DEVELOPED BY THE NATIONAL BUSINESS EDUCATION ASSOCIATION, THE PROJECT ADDRESSED THE AWARENESS NEEDS OF YOUTH, ESPECIALLY MINORITIES, IN TERMS OF POTENTIAL BUSINESS OWNERSHIP.

Other Departmental contracts provided materials appropriate for use at secondary, postsecondary, and adult levels. The adult materials were designed for use with active business owners. This management training program was developed by the University of Minnesota, building on the approach that was used in Minnesota's agriculture program. These materials, updated and modified to fit local needs, are in wide use today. For example, the Ohio business and marketing education service has adapted these materials for its Small Business Management Program, now offered in 30 school districts.[1]

In addition, the Department awarded a number of grants to the states to conduct various projects in response to the priority placed on entrepreneurship. Those initial efforts caused many States to bring entrepreneurship education into the mainstream of vocational education. It was through this grant program that some of our most visible materials and programs were initiated--particularly, the PACE materials (Program for Acquiring Competence in Entrepreneurship), updated and distributed by the National Center for Research in Vocational Education -- and the Educational Assistance Program for Entrepreneurs offered by Oklahoma State University through its Center for Apparel Marketing and Merchandising.

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[1]Other States: Minnesota, 23; Oregon, 15; North Dakota, 7; Washington, 4; Iowa, 3; Wyoming, 2; Colorado, 1; South Dakota, 1.

I OFFER THESE EXAMPLES SIMPLY TO INDICATE THAT THE PROMOTION OF ENTREPRENEURSHIP EDUCATION IN THE 70S COULD NOT HAVE GONE FORWARD WITHOUT SUPPORT FOR NEEDED CURRICULUM MATERIALS. TODAY, THAT VOID IS NO LONGER AN ISSUE. THE ISSUE TODAY CENTERS ON MAKING CHOICES FROM THE ABUNDANCE OF MATERIALS AVAILABLE.

I WOULD BE REMISS IF I DID NOT MENTION OUR MOST RECENT MAJOR CURRICULUM PROJECT IN THIS AREA, WHICH WAS CONDUCTED BY AMERICAN INSTITUTES FOR RESEARCH. THIS PROJECT REFLECTS THE GROWING ACCEPTANCE OF THE CONCEPT THAT PREPARATION FOR EMPLOYMENT, AS THE PURPOSE OF VOCATIONAL EDUCATION, INCLUDES "SELF--EMPLOYMENT". THIS CURRICULUM PACKAGE INCLUDES A CORE MODULE DESIGNED FOR USE IN ALL SECONDARY VOCATIONAL INSTRUCTIONAL PROGRAMS AND 35 BUSINESS-SPECIFIC MODULES THAT INTRODUCE STUDENTS TO THE CAREER OPTION OF OWNING A SMALL BUSINESS RELATED TO THE SKILLS DEVELOPED IN THE VARIOUS VOCATIONAL INSTRUCTIONAL PROGRAMS.

THE PRESENT ADMINISTRATION IS COMMITTED TO THE GOAL OF GREATER OPPORTUNITY FOR ECONOMIC PROGRESS, AND INDEPENDENCE FOR ALL AMERICANS. IN HIS DECEMBER 17, 1982 STATEMENT ON MINORITY BUSINESS, PRESIDENT REAGAN OUTLINED A PROGRAM FOR THE FURTHER DEVELOPMENT OF MINORITY-OWNED BUSINESSES. THE CENTERPIECE OF THIS EFFORT IS THE FORMATION OF AT LEAST 60,000 NEW MINORITY BUSINESSES AND THE EXPANSION OF A SIMILAR NUMBER OVER THE NEXT 10 YEARS.

IT WAS IN THIS STATEMENT THAT THE PRESIDENT ANNOUNCED HIS PLANS TO DESIGNATE THE FIRST FULL WEEK IN OCTOBER AS MINORITY ENTERPRISE DEVELOPMENT WEEK. MED WEEK WAS CELEBRATED FOR THE FIRST TIME LAST OCTOBER (1983). WE IN THE DEPARTMENT OF EDUCATION CHOSE THIS TIME FOR SECRETARY BELL TO ANNOUNCE THE DEPARTMENT'S POLICY STATEMENT ON ENTREPRENEURSHIP EDUCATION WHICH HE AND I SIGNED ON SEPTEMBER 29, 1983. OUR MED WEEK PROGRAM INCLUDED PRESENTATIONS BY MEMBERS OF OUR VOCATIONAL STUDENT ORGANIZATIONS, WHO TALKED ABOUT HOW VOCATIONAL EDUCATION IS BRINGING THE ENTREPRENEURIAL EXPERIENCE TO OUR YOUNG PEOPLE. THE VOCATIONAL STUDENT ORGANIZATIONS PROVIDE A CONSISTENT AND POSITIVE APPROACH TOWARD ORIENTING YOUNG PEOPLE TO THE WORLD OF PRIVATE ENTERPRISE AND OWNERSHIP. I SHOULD LIKE TO TAKE THIS OPPORTUNITY TO RECOGNIZE AND COMMEND THOSE ORGANIZATIONS FOR THE ENORMOUS CONTRIBUTION THEY ARE MAKING TO ENTREPRENEURSHIP EDUCATION.

In 1983, the Secretary of Commerce designated five Inter-agency Working Groups to provide support to the Cabinet Council on Commerce and Trade on minority business issues. One of these is the Management Development and Technical Assistance Committee which I chair. The committee has representatives from a number of Departments and agencies. Our function is to provide federal leadership for management development programs that address the need for new and expanded minority firms. While the emphasis is on minority business development, in the process we are support-ing the growth of all small businesses.

We in the the Department view current issues in the context of the commitments we have made in our policy statement on en-trepreneurship education. For example, the policy statement commits my Office to cooperate with national associations and federal agenices concered with small business and to promote and implement entrepreneurship education in the states. We responded to this commitment by collaborating with the Minority Business Development Agency in the funding of "A Project to Promote Economic Development Through Entrepreneurship Education and Training".

UNDER CONTRACT WITH THE OKLAHOMA STATE UNIVERSITY, ONE MAJOR PRODUCT OF THIS PROJECT WILL BE A RESOURCE GUIDE FOR DEVELOPING TRAINING PROGRAMS FOR USE BY VOCATIONAL EDUCATORS AND MINORITY BUSINESS DEVELOPMENT CENTER SERVICE PROVIDERS.

COMMUNICATION IS ALWAYS AN ISSUE. THE POLICY STATEMENT ADDRESSES THIS CONCERN BY HIGHLIGHTING THE NEED FOR A COMMUNICATIONS NETWORK. WE FELT THAT ONE SOLUTION WOULD BE TO REPLICATE THE TASK FORCE CONCEPT AT THE STATE LEVEL. WE ARE ENCOURAGING THIS DEVELOPMENT THROUGH A PROJECT BEING CARRIED OUT BY THE OHIO STATE UNIVERSITY UNDER ITS NATIONAL CENTER FOR RESEARCH IN VOCATIONAL EDUCATION CONTRACT. THE GOAL OF THIS PROJECT IS TO PROVIDE LEADERSHIP IN THE FORMATION OF STATE TASK FORCES ON ENTREPRENEURSHIP EDUCATION IN TEN STATES. THE IMPACT THAT THESE TASK FORCES NOW IN OPERATION HAVE HAD ON STATE INITIATIVES IS MOST ENCOURAGING.

ONE OF OUR CHALLEGES WILL COME IN RESPONDING TO THE POLICY'S COMMITMENT TO DOCUMENT ACHIEVEMENTS. WE NEED TO WORK ON THAT ISSUE. WE NEED TO FIND A WAY TO MEASURE OUR EFFECTIVENESS. WHILE WE HAVE INCLUDED ENTREPRENEURSHIP IN THE CLASSIFICATION OF INSTRUCTIONAL PROGRAMS (CIP), WE HAVE YET TO RESOLVE ITS USE AS A CATEGORY IN OUR VOCATIONAL EDUCATION DATA SYSTEM. FURTHER, WE HAVE NO PRACTICAL MEANS TO DETERMINE THE SCOPE OF OUR SUCCESS.

UNDOUBTEDLY, WE WILL NEED RESEARCH TO DETERMINE HOW MANY BUSINESSES HAVE BEEN SAVED FROM FAILURE AS A RESULT OF INSTRUCTION AND TECHNICAL ASSISTANCE. CERTAINLY, WE WILL HAVE TO FIND A WAY TO DETERMINE WHAT IMPACT THE EDUCATIONAL COMMUNITY HAS HAD ON THE ANNUAL FORMATION OF THE 60,000 MINORITY FIRMS MANDATED BY THE PRESIDENT.

ANOTHER CHALLENGE FOR THE FUTURE IS AN ADEQUATE TEACHER EDUCATION PROGRAM. IF ENTREPRENEURSHIP IS TO PERMEATE ALL OF EDUCATION, THIS SUGGESTS THAT ALL TEACHER TRAINING EFFORTS SHOULD INCLUDE PREPARATION IN THE CONCEPTS AND PRACTICES OF ENTREPRENEURSHIP. THIS INCLUDES THE PREPARATION OF GUIDANCE COUNSELORS. FURTHER, OUR OWN VOCATIONAL TEACHER PREPARATION PROGRAMS MUST PROVIDE SUBSTANTIVE TRAINING IN THIS AREA. WE HAVE SOME NOTABLE EXAMPLES OF INSERVICE TRAINING SUCH AS THE SBA - MARKETING DISTRIBUTIVE EDUCATION JOINT TRAINING PROGRAM IN NORTH DAKOTA, DESIGNED TO PREPARE LOCAL TEACHERS TO BE SBA COUNSELORS, BUT WE NEED TO DO MORE. AS OUR POLICY STATEMENT SUGGESTS, ENTREPRENEURSHIP EDUCATION WILL ADDRESS THE NEEDS OF "THOSE WHOSE WORK IS OR WILL BE ASSOCIATED WITH THE SMALL BUSINESS SECTOR". THE AGENDA FOR OUR TEACHER EDUCATION INSTITUTIONS MUST ADDRESS THE CRITICAL NEED FOR INFORMED AND COMPETENT TEACHERS.

ENTREPRENEURSHIP EDUCATION IS EVOLVING. AS WE ADVANCE OUR KNOWLEDGE, WE FIND OURSELVES BROADENING OUR PERCEPTION OF ENTREPRENEURSHIP; ITS DEFINITION, ITS ROLE IN EDUCATION, AND ITS IMPACT ON SOCIETY. OUR FOCUS HAS BEEN AND WILL CONTINUE TO BE ON SMALL BUSINESS FORMATION, BUT WE SEE ENTREPRENEURSHIP PROVIDING A NEW DIRECTION IN THE LIVES OF ALL AMERICANS. ENTREPRENEURSHIP IN THE WORDS OF AL SHAPERO, IS "TAKING CONTROL OVER ONE'S LIFE". IT IS AS MUCH AN ATTITUDE AS IT IS A PRACTICE.

LET ME CLOSE BY SAYING THAT WE IN THE DEPARTMENT OF EDUCATION WILL CONTINUE TO PRESS FOR THE EXPANSION OF ENTREPRENEURSHIP EDUCATION, AND TO FURTHER THIS GOAL WE HAVE ORGANIZED THIS YEAR, A DEPARTMENTWIDE TASK FORCE ON ENTREPRENEURSHIP EDUCATION. BY THIS ACTION, WE HAVE COME FULL CIRCLE IN INVOLVEMENT AT THE FEDERAL LEVEL, WHILE CONTINUING OUR INITIATIVES IN THE OFFICE OF VOCATIONAL AND ADULT EDUCATION. WE HOPE THAT OUR ACTIONS AND EXPRESSIONS OF CONCERN AND ASSISTANCE WILL CONTRIBUTE TO YOUR RESPECTIVE AGENDAS IN ADVANCING ENTREPRENEURSHIP EDUCATION IN THIS NATION.

"Franchising: The Beginning Entrepreneur's Training Ground"

by

Andrew Kostecka
Commodity Industry Specialist
International Trade Administration
U.S. Department of Commerce

The U.S. Department of Commerce is concerned with stable and progressive economic growth through business development. One way that the average citizen can participate in the rewards of our free enterprise system is by entering the world of franchising.

The term "franchising" covers many different types of business arrangements. The International Franchise Association defines it as an ongoing, contractual agreement between two parties: franchisors and franchisees. Franchisors grant the right to market a product or service including the use of a trademark; they also provide a tested format and system, as well as "know-how" in a wide varieties of areas. Franchisees are usually expected to conform to the format, maintain quality standards, and pay a set fee for the franchise. Franchising is perhaps the only form of business organization which, by its very nature, tends to create new business units.

Franchising in one form or other dates back for centuries, but it was the Singer Sewing Machine Company that gave franchising its modern form soon after the Civil War. In the early 1900s, there evolved two traditional kinds of franchising: automobile dealers and soft drink bottlers. Gasoline service

stations converted to the franchise system in the 1930s. The big boom in the new type of franchising did not begin until the early 1950s when about 9 out of 10 of today's larger franchisors were established, mainly in such areas as fast foods, convenience stores, hotels and motels, business aids, nonfood retailing, automotive products and services, and others

Franchising is a major force in the U.S. economy. It is a way of marketing a product or service and is being successfully adopted by an ever-widening variety of industries and businesses.

Franchising sales of goods and services by all franchising companies should reach an estimated $436 billion by the end of 1983. Retail sales of all firms associated with the franchise system should reach an estimated $383 billion or 33 percent of total U.S. retail sales.

By the end of 1983, the number of establishments associated with franchise business should total around 465,000, employing almost 5.2 million people, including part-time workers and working proprietors.

Of the total units in the franchise system, over 376,000 should be owned and operated by franchisees, leaving only about 89,000 company owned and operated.

The Department of Commerce prepares a publication each year entitled Franchising in the Economy, which provides franchising information on sales, units, and employment in 22 major franchised business categories. It includes statistical data on total investment and start-up cash required, average sales per establishment, changes in ownership, international franchising,

and data on franchise agreements, termination and renewals. Information for this report is collected from an annual survey that has been conducted by the Department since 1971.

The reasons behind the phenomenal growth in franchising are numerous. Franchising has a fascination and an appeal to the entrepreneural spirit that remains vibrant in our free enterprise system. Franchising has been termed one of the few remaining vestiges of independent business in an era of growing vertical integration. It offers unequaled opportunities to potential entrepreneurs, providing them with an excellent chance of competing and prospering in a highly specialized business environment. Without franchising, thousands of small businessmen and businesswomen would never have had the opportunity of owning their own businesses.

Take, for example, individuals who have worked hard, accumulated some capital and are tired of working for someone else. Perhaps they think they can make it on their own and are willing to take the risks involved. Perhaps they want to operate an auto tune-up center or a fast-food restaurant. Are the chances of success greater as a lone "mom and pop" business or as a franchisee of a company with an instantly recognizable trademark and a National or regional reputation that can provide them with management expertise and sophisticated advertising. The answer is obvious.

Among the specific services franchisors may provide to the franchise owners are location analysis, store development aid, equipment purchasing, and others.

If you are interested in a franchised business, and even before you begin looking for a good investment, you have to make two critical evaluations. Of course, you will look into the company offering the franchise. But--and this may be even more important--you have to analyze yourself. It is only after going through this difficult self-evaluation of your capabilities that you should start looking into existing franchise opportunities.

A good starting point for anyone interested in franchising is to look through the Franchise Opportunities Handbook, published annually by the Department of Commerce. This handbook describes franchise offerings of over 1,000 franchising companies--the way they operate, their size, years in business, equity capital needed, financial assistance available, training and managerial assistance provided.

The technique of franchising has been adopted by a wide variety of industries, ranging from fast foods, automotive, lodging, rentals, business aids, and personal service sectors, to bicycle shops, lawn services, real estate, and wholesaling. The Franchise Opportunities Handbook lists franchise offerings from firms in 41 broad categories.

The handbook also provides other pertinent information including Government assistance programs, nongovernment assistance and information, and sources of franchising information such as books, pamphlets, periodicals, and directories.

An important section of the handbook is entitled "Investing in a Franchise" and "Checklist for Evaluating a Franchise." If you are contemplating an investment in a franchise business you

should first made a thorough investigation of the franchisor, the territory you are considering, and the market potential for the product or service you will be handling. Let's analyze some of the elements you should investigate.

To properly evaluate a franchise offering, you must consider not only a specific franchisor's reputation and business record, but also the industry of which it is a part. Examine the system of franchising and its status in that industry and your own competence and motivation in relation to the industry, as elements in evaluating the offer from your viewpoint. Verify trademarks, trade names, and other commercial symbols.

Check the current financial condition of the franchisor. Determine whether there is real business experience behind the company. Find out how long it has been in business and how long it has been granting franchises. Obtain a list of the company's franchisees. Contact them and learn about the operation from the inside. Verify that the franchisors' performance generally matches their promises. Franchisees will generally not hide their complaints.

If we exclude financing, the franchise contract is the most important item in negotiating for a franchise business.

An agreement is only as good as the contract spelling out the terms, and this important piece of paper should be scrutinized carefully by the investor and a lawyer before it is signed. Your contract governs your legal relationship.

Most franchise contracts provide for controls necessary to protect all franchisees, the system as a whole, and its image and

goodwill; it provides, too, for controls that require franchisees to maintain certain quality and uniformity levels.

Training can be either for the benefit of the franchisees as the owners of the business or for their staff if they are investing in a more complicated enterprise such as a fast food service restaurant or a hotel. In either case, the type and extent of the training offered is vital, since success will ultimately depend upon how well the franchise is operated.

In determining total cost of the franchise, check every aspect of the franchise offering or the financial oblications. Terms like "initial cost," "initial fee," "total cost," and royalties should be precisely defined and made quite clear to you. Get specific details on all cost items: amount, method of payment, financing arrangements.

With respect to financial assistance, a Department of Commerce survey reveals that about 16 percent of franchisors make direct loans to prospective franchisees with good credit, and 34 percent assist their franchisees in arranging financing from other sources.

The Small Business Administration renders assistance in various ways to those planning to enter business as well as to those already in business. This assistance includes some counseling and financial aid. Counseling can be provided also by retired executives under the Service Corps of Retired Executives (SCORE) program.

Financial assistance may take the form of outright loans, participation loans, or guaranty of loans made by private

sources. Such assistance can be given only to those eligible applicants who are unable to provide the money from their own resources and cannot obtain it on reasonable terms from banks, franchisors, or other sources.

Another source of assistance is the Minority Business Development Agency that was established within the Department of Commerce to be the focal point of the Federal Government's effort to encourage the establishment of new minority enterprises and the expansion of existing ones.

To provide local assistance to prospective and existing minority business, the Minority Business Development Agency is affiliated with private nonprofit business development organizations in cities with substantial minority populations.

The past decade has seen an emergence of a highly specialized body of franchise law at the State level. The focus primarily has been on defining the franchisor's ability to control the operational aspects of the business and the activities of franchisees who are legally independent business persons.

The only Federal regulation affecting the sale of franchises is a 1979 Federal Trade Commission trade regulation rule. This rule makes disclosure of certain specific information by franchisors mandatory, nationwide.

Today, 15 States have registration and disclosure laws regulating presale disclosure of all information pertaining to the franchise offering.

You should not assume that the registration of a franchise or the existence of a disclosure statement means that the information in the statement is complete, accurate and free of excessive claims and misleading statements. Independent verification of the information contained in a disclosure statement is essential if you are to do a thorough job of investigating before investing.

In the past 20 years, some 200,000 small- and medium-sized businesses have been launched under the protective umbrella of a franchise agreement. Many would not have started in business, much less survived, without the trademarks, products, advertising and management skills franchising provides. Franchising represents the small entrepreneur's best chance here with the giant companies that dominate our marketplace. Without franchising, thousands of small business persons would never have had the opportunity of owning their own business and never have felt the immense satisfaction of being a part of our free enterprise system.

"The Importance of the Small Business Sector
to the American Economy"

by

Frank Swain
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U.S. Small Business Administration

The U.S. Small Business Administration (SBA) is the key agency in Washington D.C. with the mandate to support and serve the small business community. We define that in a number of ways. There're some very specific programs that I'm sure many people are familiar with such as lending programs that specialize in bringing assistance to minority-owned businesses. There are also specialized programs for bringing assistance to businesses that want to sell to the Federal Government. In addition, we have a more general mandate to make sure people who go into business are served as efficiently and effectively as possible. And so, to that end, we devote a good deal of resources in our agency to a broad variety of projects that generally come under the title of management assistance.

Now, I don't want to talk about the specific programs of the SBA but to give you an outline of some recent facts and figures about small business. We believe that small business is important--as part of our National sociology, part of our National legend; we're an entrepreneurial society. I know we're different from everybody else in the world because of the attention and the interest we have in small business and entrepreneurism. The interesting and significant thing is that within the last 3-4 years that article of faith in entrepreneurism and small business

(I use those words interchangeably) has been born out by a number of fairly specific, very well-founded studies on the role that small business plays. What has been done in the last several years is to paint a very vivid picture of the contributions that small business makes to economy.

There has been a lot of work done on the number of new jobs that have been created by small business. Some years it's at least 50-60 percent; other years it's 100 percent. For instance, in 1981 and 1982 when this country was in the depth of a recession, we still managed to create a million new jobs. Do you know where those jobs came from? Every one of them came from firms with fewer than 20 employees. Firms with fewer than 20 employees in 1981 and 1982 created 2.6 million new jobs. It's a good thing they did create the 2.6 million new jobs because large businesses with more that 500 employees lost 1.6 million jobs in that same time frame. So despite the fact that we were in the midst of a very deep recession, we were still able to net out a million jobs ahead and that was solely attributable to the very frenetic job-creating activity of small business.

Now that the economy is back on its feet again, we have several magazines saying that we now have a great American job-creating machine. Six to 7 million new jobs have been created in the last 18 months. I'm quite confident that when the figures are finally in and we take a look at those figures, at least one-half to two thirds of those jobs will have come from small firms--firms with 100 or fewer employees.

Let's look at it from a different perspective. Two out of three people who enter the job force get their very first job with small businesses. Obviously, a lot of those people don't stay with small businesses but may go on to larger institutions. I think that's highly significant because obviously the first job is the critical job, both for the person entering the work force and that person's employer. The employer provides a lot of skills training that has been the backbone of our vocational education for so many years--how to run a drill press, how to keep inventory, how to work on computers, and so forth. In addition, the small business employer provides something that in the end may be even more important, and that is generalized training, such as being a responsible member of the work force, showing up for work on time, taking responsibility, getting along with fellow employees, and so on. So if you hear small business criticized for paying minimum wage, keep in mind the skills training and values training that first worker is receiving.

Everyone is concerned about the technological revolution. The Unites States, in spite of some very intense world competition, is leading the technological revolution. Small business has a much bigger role to play in that than most people realize. Any list of inventions or patents or technologies that are critical to this country always has a generous sprinkling of small business ideas. In fact, small business innovates at a rate that's two to three times faster than large business. This is despite the fact that large business is two to three times more likely to be directly supported by Government money than is

small business. So, we need to continue to rely on small businesses to meet the tremendous National challenge.

What does all of this mean as far as entrepreneurial education? Studies show that people who have received some sort of entrepreneurial training or management training tend to do a better job at being business people than people who don't have the training. I think it's tremendously important that we have some sort of early educational preparational career training for people who are interested in going into business for themselves. I'm not an expert on education so I don't know the best way to set up educational programs, but I can suggest a couple of things. As has already been outlined, the SBA has a tremendous number of programs involved in the general area of management assistance. They range from individual counseling that's available through SCORE programs, to proposed course material for programs in economic education, to an exciting new program that we've just signed with Junior Achievement. This program allows people who have had hands-on business experience to share their outlooks and experiences in the schools. I think that's an exciting and interesting program, which is driven by an organization that has a great deal of credibility, namely Junior Achievement. There are a number of other programs we're looking at and I would suggest that if you are interested in what resources the SBA may have available that may fit in with your particular goals and responsibilities, that you contact the local SBA district office. There's an SBA office in most major cities. Ask to talk to the management assistance specialist there.

There are other things that we're doing that I think are important, also. In 1980, there was a White House conference on small business, which put together a number of recommendations as to how Federal policy could improve as far as small business is concerned. Two of those recommendations directly dealt with the issue of entrepreneurship education. There is another White House conference concerning small business scheduled for 1986. It will be preceeded by a series of statewide conferences to be held through the course of 1985. There will probably be at least one conference in each State at which small business owners will be asked to suggest what they think is particularly critical as far as policy for small business. This will be an opportunity to discuss issues involved in entrepreneurial education and to identify small business community people who are real "movers and shakers," and who are very interested in the local schools. I would suggest that you stay tuned to the local SBA offices or the newspapers regarding announcements for those conferences.

Finally, I'd like to mention that our office sponsors a conference in the fall of each year, specifically oriented for State and local public officials on several small business issues. Our conference will be held this fall in San Diego. We expect to meet with about 500 State and local officials, and one of the very top items on our agenda will be entrepreneurial education and various programs some of the States are developing. I would suggest that if you're in contact with the officials of either the legislature or the executive branch of the Government, that you suggest they take a look at the possibilities of

attending that conference. I think it provides some very nuts-and-bolts type of information on activity as far as small business issues are concerned.

I repeat, I think that it's absolutely essential to have entrepreneurial education programs in our school systems at all levels. This country has had a great love affair with the entrepreneur, in many cases, in spite of the educational system. I say in spite of, not because the educational system has been against the entrepreneur, but because the educational system has not particularly acknowledged the entrepreneur. There's a great gap between teaching an individual to be an auto shop mechanic or a computer operator and getting an individual a graduate degree in business from some fine public or private instituition, and the educational system traditionally has not been able to respond to that gap. Previously, if you wanted to know how to go into business, you either took auto shop or you took a couple of business courses in college. This just doesn't work very well. The fact is that most of our new jobs, 40 percent of our gross National product and most technological innovations, come from small business. And, the fact that we have a strong small business community is almost by accident. We need to continue economic progress, and in order to continue economic progress, we need to continue to push small business and entrepreneurship education in our school systems. I know we can't come up with a formula that tells everybody how to go into business exactly the right way. But, I think we can instill knowledge upon people at an impressionable age, and I think that age is anywhere from 14 to 84.

We need to tell people that going into business for oneself is a career option they ought to seriously consider. It's a career option that the Federal, State, or the local Government does not guarantee. It may be full of danger--danger to one's reputation or danger to one's wallet. But it may be highly successful, and in fact, it is an increasing option to which the American public is turning.

Last year, we had over 600,000 business incorporations in the country. This year, we're going to reach nearly 650,000. Just 10 years ago we only had 350,000 new incorporations. So, we've almost doubled the number of people going into business for themselves in the last 10 years.

Occasionally, we hear politians talk about business bankruptcy. They are as high as they've ever been since the great depression. What's not mentioned is that we have five times as many businesses in the United States today as we had in 1932, and that's a tremendous number of people going into business. With more people going into business, I'm afraid we're going to have more people going out of business, too. The Federal Government, whether it's under a Democratic administration or a Republican administration, is never going to be in the position of guaranteeing success through SBA loans or any other way. But, the way we can significantly change bankruptcy and business failure rate is to give more inspiration and better education to people who are going into business--before they go into business. Studies have shown that regardless of economic times, the one factor that's most responsible for business failure is a lack of

management skills. That's the one factor that I think our school system is particularly able to follow up on.

Let me tell this one story, then I'll be finished. Shortly after President Reagan nominated me for this job, an acquaintance of mine from the northeast called me. This fellow is a small business owner who comes to Washington all the time to lobby for better tax treatment for small business and better regulations and minimum wage laws. He called however to say his business was on the rocks and it seemed like it was through no fault of his own. There had been a strike in a related industry and his business had fallen off and he asked if I could help him get an SBA loan to tide him over. I said I couldn't help him directly but suggested that he call the local SBA office and talk to them. Well, I never heard from him again but saw the district director of that office about 8 months later and asked if "old so and so" ever called. He said "yes" and that they were still working with him. I asked what the situation was, and he said it concerned a loan. They told my friend to bring in his cash flow statement and cash flow projection for the next 3 years, and he said he didn't have a cash flow projection. So the district director asked to see his latest balance sheet, credit report, payables report, and some very basic bookkeeping documents. Well, my friend had one or two of those. Finally the district director asked for the name of his accountant. My acquaintance said he didn't have an accountant but he did have a retired lady who came in Wednesday afternoon to do the payroll.

For me this story typifies a lot of small business people that I meet. They are wonderfully good at their particular talent, but many times they aren't good at all at recognizing that in order to go into business they have to do some things related to the business, as opposed to just making widgits. That's something that's many times learned too late by people who go into buisiness. My friend went bankrupt but he has picked himself up and has started a new business and I hope he's doing better.

Entrepreneurism is a career option. It's a career option that you can be very successful at if you pay attention to business rules. I'll finish with one final observation. A couple of years ago, I visited a neighboring State and everybody was very concerned about what they called business migration. Why are people picking up and moving all of their plants somewhere else? Why is Arizona and Texas doing so well, and why aren't Ohio, Indiana, Michigan, and New York doing well? What can we do to keep our people from leaving and setting up their plants in other places? We did some economic research and we found there wasn't any business migration of statistical significance. What was very significant was that people in some States decided to close down plants and go out of business, and other people in other States decided to open up new businesses. In other words, there are some States that have a very big entrepreneurial reputation. By the same token, there are some States that are considered to be terrible places to start new businesses.

Also, many people come to us and say they're in State Government and ask what they can do to help small business--but they don't have a lot of money to spend. That's great, in fact, I think the less money to spend the better because that forces people to be creative with the resources they already have at their disposal. I think one of the greatest resources in this country is our school system. We need to be creative with our school system and start talking about entrepreneurs and start equipping our young people and our middle-aged people who are looking at a career change to go into business for themselves. If we don't, I think nationally we're losing it. I think you're not doing your State a favor either by refusing or declining to take the opportunity to promote an active entrepreneurial education system.

"Meshing the Federal, State, and Local Initiatives"

by

Charles Liner
Manager of Training
U.S. Small Business Administration

The subject that I'm to talk about is meshing local, State, and Federal initiatives into a networking or linking system. Now, when we talk about networking or linking, are we talking about program support and development, or are we talking about financial linkage? Actually, we're talking about both. And to be successful in both, you have to be a smart entrepreneur; a good entrepreneur is a smart entrepreneur.

How do you go about linking or networking a particular program, or more simply, how do you get help for an idea that you think would be good for the State or for the country? First, you've got to sit down and decide what it is you've got to sell. You and I both know if the right person asks the right person, he or she can raise money for just about anything. So, the next step is to identify the right person. To illustrate, let me share an incident that occurred when I worked on the Senate Committee in Washington. The project was a cottage industry type project for promotion and development in the arts and crafts. This particular lady went to the State Council on the Arts and Humanities who sent her to the chairman, who suggested that she write the Governor, who sent her letter to the Senator from that State, who then sent the letter to me to answer within 10 days. That's an example of the linkage system in a political process.

Now, you can do this same thing in the arts and crafts business, which employs about a 1,500,000 people. These people are entrepreneurs in the strictest sense of the term. They create and market their own products and try to handle all their own business. They can go to the local council through the State council to the National endowment for the arts, and they'll give it some consideration. That's an example of a particular program area that seeks a particular grant support.

The same process can occur for a program area in small business. If they've got an idea, if it is a germinating type process, they've got to sit down and decide what particular type of institution or organization can help promote their idea. Generally, there is a local organization or resource person who can refer them to a State or local contact. It's a networking of people. Who do I know who can help me? Who do I know who can get me to the next step, to the next step, to the next step?

I was recently talking to one of my colleagues about meshing vocational-technical education and community college programs. We don't know how to do this yet, but we can ask enough people in the network, we can determine whether it's a viable process and can be done through a contract. We may hit 10 dead ends, but we will try to use our entrepreneurism to guide our product to a complete and final successful conclusion. So, put your entrepreneurship skills to work in developing a network, locally, or statewide. Take it from the bottom and work toward the top; that's the answer to meshing Federal, State, and local initiatives for any type of program into successful completion.

Resources Available to the Entrepreneur

"An Educational Program for
Minority Business Development"

by

John Russell
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PREFACE

Based on the experiences gained in the last several years working with the educational community and educational associations in the area of entrepreneurship and business management education, it is my conclusion that a substantive, far-reaching educational developmental program for entrepreneurship can be established. Such a program would be based on in-place resources and existing educational delivery systems. i.e., public and private school systems, k-12 and postsecondary and adult and continuing education systems and programs. The envisioned program would have two main focuses: 1) a youth and adult program to provide awareness, exploration and preparation courses in entrepreneurship and business enterprise education; 2) a program geared to the small business community to provide greater access and responsiveness by the local educational community to meet the management needs of local businesses.

The proposed business enterprise education program would have the multiple objectives of grooming future business owners and helping existing business owners as well as preparing and improving present and future employees and managers of small businesses.

AN EDUCATIONAL PROGRAM FOR MINORITY BUSINESS DEVELOPMENT

Program Goals:

Respond to the management education needs of the business community.

Prepare students for productive careers in business enterprise as employees, managers and entrepreneurs.

Enable teachers and administrators to have a leadership role in developing programs which encourage and support community business enterprise development.

Establish enterprise development partnerships between business, economic development and education.

Promote a greater community understanding of free enterprise through our educational system.

Assumptions:

Our nation's future relies on its ability to develop and sustain strong business enterprises.

Minority business enterprise growth and development require the major involvement of our education institutions:

to provide an increased public understanding and appreciation for the minority and small business enterprise

to prepare the employees, managers and business owners of the future

Our educational system can play a major role in minority enterprise and economic development:

by offering business enterprise and entrepreneurship as a legitimate and desirable career option

by preparing students to be successful employees, managers and business owners

by assisting and working with business to meet its management needs

by providing the public with an appreciation and understanding of business enterprise to the health and well-being of the community

To enable our educational system to play a major leadership role in business enterprise education, the following initiatives should be taken:

I. The establishment of national, state and local coalitions between business enterprise, economic development and education

- To make business enterprise education and entrepreneurship a regular curriculum offering for all students at all grade levels
- To increase the accessibility and responsiveness of educational resources to meet the management needs of business enterprise
- To develop a partnership with education in business enterprise and economic development
- To develop needed private sector funding support

II. The promotion and establishment of programs for:

- Teacher and administrator business enterprise education at the graduate, undergraduate and in-service levels
- The dissemination of business enterprise curriculum, materials and program/project models together with technical assistance through national, state and local business enterprise education resource centers
- The development of needed research, curriculum course materials and demonstration and program delivery models especially local school district and community models
- Scholarships and other teacher/student incentive and development programs for business enterprise education

III. The promotion and establishment of national, state and local business enterprise education conferences between business, economic development and education:

- To establish dialogue and coalitions between various organizations and institutions
- To disseminate and share business enterprise education materials and programs
- To identify and discuss major issues in business enterprise education and economic development
- To identify, promote and develop needed programs and initiatives

PROPOSED MBDA PROGRAMS AND PROJECTS

I. Linkage Program with Major Education Associations

Program Goal - to acquaint association membership with educational needs of the minority/small business community, propose programs, project goals and fashion specific initiatives.

Program Objectives

- Participate in national, regional meetings of the association by major theme sessions, program participation and MBDA exhibits.
- Utilize association periodicals by publication of small/minority business articles.
- Foster, develop small/minority business committees within the association.

- Develop model programs for replication by association.
- Association membership by key MBDA personnel.

Anticipated Outcomes:

- Increased visibility and awareness of small/minority business education and developmental needs by 50,000 to 100,000 educators.
- Participation by MBDA in 20-30 national and regional meetings.
- Publication of small/minority business articles in 5-10 association periodicals.
- Facilitate, bring access of MBDA to state, local departments of education, major educational resource centers and educational delivery systems.
- Facilitate knowledge and access ot MBDA to tested and successful program materials, curriculum and models for entrepreneurial development.
- Development of 10-12 project initiatives with possible multiple funding sources--federal, state and private sectors.
- Stimulation of private sector funding support for needed MBDA initiatives through educational associations, resources.

II. State Business Enterprise Education Program

Program Goal - to mobilize state education resources and delivery systems for free enterprise education.

Program Objectives

- Establish policy position making free enterprise education an educational priority
- Establish state level coalition between business, economic development and education for business enterprise education development
- Work with state supervisors to develop individual plans for establishing/expanding business enterprise education at K-12 and postsecondary levels

- Perform state-wide survey of existing business enterprise education courses, projects and programs. Evaluate and disseminate in local school districts

- Establish state and local business enterprise education resource centers for teachers, administrators and the business community

- Conduct area conferences for teachers and administrators on business enterprise development and the role of education

Anticipated Outcomes:

- Increased awareness of average teacher and administrator on importance of business as a career option and the role of education in supporting business enterprise

- Statewide awareness and dissemination of successful business enterprise education programs

- Greater support to teachers and administrators in developing business enterprise program (through area resource centers)

- Greater support and assistance by adult and higher education to meet the management education and training needs of the business community

- The promotion and establishment of policy and legislation to establish/expand free enterprise education

III. Local School District/Community Business Enterprise Education Program

Program Goal - to establish/expand business enterprise education in the local school district and increase access and responsiveness of local adult education resources to meet the needs of the business community

Program Objectives

- Establish a local coalition between business, economic development and education for program development

- Assess/disseminate current business enterprise education programs

- Develop school models for business enterprise awareness, exploration and preparation

- Increase business education programs required to meet the needs of the business community based on existing adult education delivery systems (e.g. continuing education, community colleges, etc.)
- Provide in-service training for teachers, counselors and administrators
- Establish business enterprise awareness programs for parents, youth groups, e.g. Scouts, etc.
- Provide model dissemination program to region and state
- Establishment of local resource centers for use by teachers, administrators and business community

Anticipated Outcomes

- Development of successful model programs for replication in region, state and nation
- Increased support of educational system by private industry, including financial assistance for programming
- Increased awareness of students, teachers, administrators, parents and community of role and importance of business enterprise
- Development of better employees, managers, business owners through educational programming
- Enhance capability of teachers and administrators to contribute to business enterprise success and development
- Increase survival/success rate of local businesses through improved management assistance

ILLUSTRATIVE PROJECTS OF SCHOOL DISTRICT/COMMUNITY PROGRAM

PROGRAM SUBJECT AREA	PROJECT
I. CAREER EDUCATION	• Dissemination/expansion of present small business/entrepreneurial programs
	• School career days
	• Business visitations by students
	• Business programs/projects for youth groups, e.g. Scouts
II. SCHOOL SMALL BUSINESS CURRICULUM	• Identify, disseminate, expand current entrepreneurial courses
	• Establish school/local resource centers
	• Form multi-discipline planning group to develop new, needed programs, e.g., adding small business course to trade and industrial courses
III. ADULT EDUCATION	• Disseminate/expand current programs for small business community
	• Conduct planning meetings for needed programs (between school system, business and economic development communities)
	• Conduct in-service workshops on small business for teachers, school administrators
IV. OUTREACH PROGRAMS	• Hold "get acquainted" meetings between teachers, school administrators and business community
	• Conduct small business information programs for parental groups, e.g., PTA
	• Establish small business speaking bureau for community groups
	• Conduct informational program for existing school advisory groups

BENEFICIARY GROUPS OF A SMALL BUSINESS EDUCATION PROGRAM

Beneficiary Group	Reason, Benefit
1. Major Corporations	Promote consumer relations/understand
	Foster small business to support large business and industry
	Foster development of good employees and managers
2. Small Business	Training and technical assistance
	Groom employees and managers
3. Economic Development	Small business development central to urban and rural development
4. State and Local Government	Foster economic development through employment, extension of tax base, foster general growth
5. School Systems (Administration, School Boards)	Places educational system in main stream of employment training, economic and community development
6. Teachers	Provide new initiative that responds to student and community
	Provide teacher training and preparation for new initiatives
7. Parents	Provide new career option for children
	Enhance employment opportunities and job advancement for youth
8. Student	Provide new career option
	Enhance employment opportunities and job advancement

"Resources Available To The Entrepreneur"

by

Dr. Donald M. Clark
President and Chief Executive Officer
National Association for Industry-Education Cooperation

Education has a major role in expanding the base of an area's economic activity through local efforts to retain and recruit business and foster small business development. Central to a long term plan to stimulate small business operations is a comprehensive entrepreneurship education program designed to prepare both youth and adults for self employment and provision for adequate technical assistance to small business firms.

This type of initiative requires both a coherent organization and process through which industry, i.e., the employment community, and the schools can jointly and effectively plan, implement, and evaluate a program in entrepreneurship education. Developing another industry-education "cooperative or partnership project" in small business operations, while useful, has little, if any, significant impact on the economic development of a community. If entrepreneurship education is to be a priority in the economic revitalization of an area, it needs to be part of a broad based industry-education organization/alliance that is directed at school improvement, i.e., helping develop a more responsive total academic and vocational program.

An advisory organization such as an Industry-Education Council (IEC) can facilitate joint action between the small business sector and the schools in establishing an articulated entrepreneurship initiative at the public and postsecondary levels. The Council represents the key decision makers in business (chief executive officers, Chamber of Commerce), education (chief school officers), labor, government, and the professions, who are the same players, for the most part, involved in an area's economic development.

The suggested process for implementing an entrepreneurship program through this umbrella industry-education alliance includes establishing a small business/entrepreneurship advisory committee; developing an economic and employment needs assessment; highlighting self employment in career education to include exploration activities; introducing small business opportunities in vocational education programs; establishing a small business major/concentration at the postsecondary level; and providing work experience in small business operations to students as part of a postsecondary program.

An Industry-Education Council can facilitate the formation of a small business/entrepreneurship advisory committee which would directly assist public and postsecondary school staff in entrepreneurship education in such areas as cooperative planning, curriculum development,

in-service training, materials and equipment, occupational information, and work experience. Membership would include small business operators, senior educational staff. Chamber of Commerce, U.S. Small Business Administration, employment and training and the director of the area industry-education alliance.

The lack of information on economic and employment trends related to the small business sector is a major problem confronting potential and existing entrepreneurs. Undertaking an economic and employment assessment of a labor market area to include a macro overview of the marketplace is an important step in providing a systematic delivery of information to students interested in small business operations, along with employers, occupational planners, and employment and training staff.

Career education in the elementary and secondary schools is the primary vehicle for awareness and exploration opportunities for self employment. A more intensive and articulated effort on the part of school staff in incorporating entrepreneurship into a system's comprehensive career education initiative is necessary in order to stimulate student interest in pursuing preparation for this area of business activity. Vocational education students in senior high school, in particular, are a primary target group for small business operations, having acquired marketable skills that are applicable to a variety of small business opportunities.

A comprehensive and articulated entrepreneurship education curriculum -- a small business major/concentration -- at the two and four year postsecondary level is essential in preparing youth and adults for a productive career in this area of economic activity. The business community's volunteer resources -- personnel, equipment and materials -- would be channeled into the program in a systematic and cost-effective manner. A cooperative work experience program in small business operations is another key factor in a business-education joint program in entrepreneurship. Postsecondary institutions will also need to develop a significant technical assistance capability for area small business firms.

What has been recommended in this brief discussion is a framework -- a structure and process -- for a business-education joint effort in assisting youth and adults make the transition from school to self employment. Entrepreneurship education, planned, implemented, and evaluated as a primary activity of an industry-education alliance that addresses the entire academic and vocational program, can, over the long term, make a significant impact on an area's economic development. The Industry-Education Council mechanism can also effectively contribute to small business operations through the Enterprise Jobs Zone program, an innovative and needed approach to revitalizing the central city economic base.

An industry-education joint effort in entrepreneurship education requires patience, hard work, discipline, commitment for the long term, and financial support. There has never been a more opportune time in our history to make things happen in industry-education cooperation.

Let's get on with entrepreneurship education by integrating the resources of the schools and the employment community within a comprehensive and permanent alliance that is directed at school improvement and economic development.

"Resources Available to the Entrepreneur"
(Panel)

by

Mary Hanrahan
Special Assistant to the Assistant Secretary
Office of Vocational and Adult Education
U.S. Department of Education

I have put together a package that I mail out in response to requests for information on entrepreneurship education. It's a very basic small package but it's a start and I feel it is better to get something out right away than to continue working on a compendium that is already 2 1/2 inches thick and has been in process for more than 2 1/2 years. All the addresses of people who have requested information are in the computer, and as new information is available and printed, it will be automatically sent out to them. I will try not to duplicate anything, since the National Center has a New Venture Newswire. Sometimes we will probably overlap, but a little reinforcement might not do any harm.

We were hosted by our chief National resource in vocational education, which is the Center for Vocational Education. The center, of course, due to a great deal of foresight, was started a while ago and has been funded partly by the Department of Education. The purpose of the Department of Education is to provide an information source for the States. It's to be a National leader. Most of the funds we get now are earmarked and are no longer discretionary. They are earmarked for certain programs. For example, 10 percent are for the displays, 15

percent are for the handicapped, and so on. The new bill on vocational education will have specific instructions on entrepreneurship education in it. We won't know what that will be until some time in October when the Senate and the House iron out their differences.

I have a list of all the State directors. I've had a couple of requests for information from New Brunswick, Canada, and I've referred them to Maine. Your regional representatives are often very good and dedicated people and have been in the business for a long time. I started my own business many years ago and there was no information then. I went to the library and got a very simplistic book on how to start your own business. A couple of weeks ago, I picked up my local newspaper and there were many courses on small businesses such as how to start one, how to run one, zoning, licensing, all the things that you have to have--taxes, insurance, legal questions. There must have been three quarters of a page on small business courses. So, there are resources for the entrepreneur.

I heard of a very good entrepreneur recently. His name is Barry Palmer from Lehigh. There are many people who are resources themselves, and they can help everybody else. It is important to communicate.

Calvin Kent has a great bibliography, which contains a lot of very good information on entrepreneurship. I attended a conference in Chicago on incubators, a fascinating concept. I have a lot of information on that. I also have a list of all of the incubators nationally, which is available. Federal funds

and State projects can be used for training. Federal funds can be used for equipment in training, as long as they are not used for profit. We have a department that is headed by Dr. Cornelson who does auditing, and I'm he sure would be very glad to give advice. There are a lot of nitty gritty questions sometimes that should be answered before the auditing process, and before suits are brought. We don't like to see that happen.

I am going to conclude with a proverb: don't give a man fish, teach him to fish. It doesn't help just to teach our children the three Rs. We must teach them how to choose a career, and vocational education is as much of a career choice as professional education. They must learn how to get a job, how to start a business, how to use the three R's to support themselves and their families.

NFIB® **National Federation of Independent Business**

Research and Education Foundation

"How Can We Get Support for Entrepreneurship?"

by

Betsy Schwammberger
Director of Education
National Federation of Independent Business

HERE'S HOW . . .

To Get Support from NFIB!!

Who can help you at NFIB?

NFIB staff...

The most obvious contact to make is with the Education Department which can put you in touch with any available resources from the organization. In addition, our lobbying staff has information about issues of concern to the small-business community. Our research experts have data about the economic condition of small business and the importance of small business to our economy. NFIB directors of state governmental relations are excellent contacts for information on state issues and can help identify members who might be able to help your programs.

NFIB members...

Many of our more than 560,000 members are articulate business owners who have expressed an interest in working with local teachers and students. They usually discuss best what they know best - the realities of being an entrepreneur and owning a business. Many members also enjoy judging student business competitions. Some members are willing and able to serve in advisory capacities or to help in other ways, but we find it adviseable to approach members for these larger commitments only after you have seen how effective they are actually working in the educational arena.

Teachers on the NFIB mailing list...

We maintain a mailing list of teachers who have requested to receive our publications on a regular basis. On our list currently, there are 17,460 teachers in the following percentage breakdowns: 10% in grades K-6, 21% in grades 7-9, 60% in grades 10-12, 28% in postsecondary/college, and 13% working with educators. (Percentages total more than 100% because some educators work with several groups.) On some occasions, we share our mailing list (or selected portions) with organizations providing items and services of interest to these educators (i.e. notices of workshops).

Continued...

Home Office: 150 West 20th Ave., San Mateo, CA 94403. Phone: (415) 341-7441

What support can NFIB provide?

A description of NFIB's current educational publications and programs is attached. Single copies of all publications are free to anyone. Teachers may request additional complimentary copies of most educational publications for classroom use. Introductory packets of these materials are especially popular for distribution to teachers attending economic or business education workshops.

The NFIB Communications Department is now preparing a new film. Available in 16mm and videotape formats in the beginning of 1985, it will show how three entrepreneurs developed their businesses. NFIB members will be encouraged to share this film and their own business experiences with interested classes.

NFIB is continually developing new materials and welcomes teachers' suggestions for ways to improve our programs. As new materials become available, it is important to have your name on our educators mailing list. In that way you will automatically learn about new resources and be able to take advantage of them.

Where can you go to get NFIB support?

Key NFIB staff are located in all the U.S. capital cities. To contact state lobbyists, look up the National Federation of Independent Business in the telephone listing of the state capital. The Federal Legislation, Research and Communications Departments are all located in the NFIB office at 600 Maryland Ave., S.W., Suite 695, Washington, D.C. 20024 (202) 554-9000. In the near future, the NFIB educational activities will be coordinated in Washington D.C. as a function of the Communications Department.

When can you get NFIB support?

Prompt attention is given to all requests, but to ensure receiving publications in time and/or getting the commitments of NFIB staff and members, it is important to give us at least 2-3 weeks lead time.

When using NFIB members, it is advised that you ask them to participate initially in activities which have a definite, short time commitment. Entrepreneurs are action-oriented and appreciate accomplishing a specific task in a defined time frame.

Conclusion

These are the programs which are now available at your request. Our resources are most effective when they meet your needs in entrepreneurship education and training. If you have an idea for a new way to use our resources or for a new product for us to develop, please exercise your entrepreneurial talents and share your ideas with us. For entrepreneurs, many dreams come true!

BS/2656E

NFIB® National Federation of Independent Business

Research and Education Foundation

MAJOR PROGRAMS OF THE NFIB EDUCATION DEPARTMENT

MAY 1984

* Sponsorship of awards and cash prizes to teachers: the annual NFIB/NBEA Awards for the Outstanding Teacher of Business Principles and Business Economics at both the high school and post-secondary levels, given in cooperation with the National Business Education Association; and for creative and effective economics teaching at the elementary grade level, given in cooperation with The National Center of Economic Education for Children.

* Sponsorship of awards and cash prizes to top business students in the 180,000-member Future Business Leaders of America student organization; the 190,000-member sales, marketing, and management program of Distributive Education Clubs of America; and the 200,000-member Junior Achievement program.

* Development of the INSIGHT program with quarterly newsletters for employers interested in promoting economic awareness with their employees.

* Publication and distribution of economic information poster, WHAT'S THE DIFFERENCE?, comparing the standards of living in the United States, Great Britain, France, West Germany, and the Soviet Union, and accompanying Teacher's Guide.

* Publication and distribution of SMALL BUSINESS IN AMERICA and CENTURY OF ENTREPRENEURS posters which show data on small business and biographical information about successful American entrepreneurs, respectively.

* Publication and distribution of materials on economic and public policy issues on such topics as Social Security, Government Regulation, the Minimum Wage, Inflation, and Entrepreneurship.

* Complimentary mailings of MANDATE and all new educational materials to over 17,000 educators, in-service workshops, and special programs upon request.

* Mailings of QUARTERLY ECONOMIC REPORT FOR SMALL BUSINESS, small business and other research reports to educators and researchers interested in data on small business.

* Publication of economic education workshops for teachers, conducted by the Joint Council on Economic Education, the Intercollegiate Studies Institute, and other organizations.

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"How Can We Get Support for Entrepreneurship?"

by

Mary Anderton Williams, Ph.D.
Senior Consultant
Control Data Business Advisors
Small Business Services Company

I'M DELIGHTED TO BE HERE REPRESENTING CONTROL DATA BUSINESS ADVISORS. MY REMARKS WILL BE CONCENTRATED IN TWO AREA. FIRST, I WANT TO TALK ABOUT CONTROL DATA CORPORATION'S COMMITMENT TO ENTREPRENEURSHIP TRAINING. THEN I'LL DISCUSS A PROGRAM FOR ENTREPRENEURS THAT HAS BEEN DEVELOPED AND IS BEING MARKETED BY CONTROL DATA BUSINESS ADVISORS, MY EMPLOYER.

THE SUBJECT OF ENTREPRENEURING HAS ALWAYS BEEN CLOSE TO CONTROL DATA'S HEART. AS YOU MAY KNOW, THE COMPANY ITSELF IS ONLY 26 YEARS OLD, AND IT IS STILL A PROTOTYPE OF THE HIGH-TECHNOLOGY ENTREPRENEURIAL GAMBLE THAT PAID OFF. THIS AFTERNOON I WANT TO GIVE YOU SOME OF THE ENTREPRENEURIAL FLAVOR OF CONTROL DATA'S HISTORY, A SYNOPSIS OF OUR CONTINUING INVOLVEMENT IN AND COMMITMENT TO ENTREPRENEURSHIP EDUCATION AND TRAINING AND SOME THOUGHTS ON WHERE WE WANT IT TO TAKE US.

BACK IN THE 1950S, BILL NORRIS, WHO IS NOW OUR CHAIRMAN AND CHIEF EXECUTIVE OFFICER, WAS AT SPERRY RAND, AND ALONG WITH A SMALL GROUP OF HIS ASSOCIATES, WAS DOING SOME OF THE MOST ADVANCED COMPUTER RESEARCH IN THE WORLD. HE SAW THE FUTURE OF DATA PROCESSING. UNABLE TO SECURE BACKING FROM HIS EMPLOYER, AND IN A PATTERN COMMON TO ENTREPRENEURS, NORRIS STARTED HIS OWN COMPANY.

THIS WAS IN 1957, AND HE ANNOUNCED THAT CONTROL DATA WAS GOING TO DESIGN AND BUILD 'SUPER COMPUTERS.' KEEP IN MIND THAT DURING THE 50'S, SOME "EXPERTS" HAD STUDIED THE EMERGING TECHNOLOGY AND DECIDED THAT SIX BIG COMPUTERS COULD HANDLE THE WHOLE WORLD'S COMPUTING NEEDS FOR ALL TIME. SO IN TERMS OF TECHNOLOGY AND RISK, THE BIRTH OF CONTROL DATA WAS THE CLASSIC ENTREPRENEURIAL VENTURE. AND IN THE EARLY YEARS, IT RODE THE CLASSIC ENTREPRENEURIAL ROLLER COASTER. EVERY FEW YEARS THE COMPANY HAD TO GAMBLE EVERYTHING ON ITS NEWEST COMPUTERS. IN THE SPACE OF TEN YEARS, THE PRICE OF CONTROL DATA STOCK WENT FROM A DOLLAR A SHARE TO A HIGH OF $166, AND THEN PLUNGED BACK TO LESS THAN TWENTY. THERE WAS WILD GROWTH, FOLLOWED BY RECESSIONARY DROUGHTS, FOLLOWED BY MORE WILD GROWTH. AT ONE POINT THE COMPANY CUT EVERYBODY'S PAY TO STAY AFLOAT -- ALTHOUGH IT NEVER CUT BACK ON R&D. THESE WERE THE GO-GO YEARS WHEN WALL STREET DISCOVERED HIGH TECHNOLOGY. BUT THERE WAS ALSO BRUTAL COMPETITION, AND EVEN SOME OF THE BIGGEST NAMES EVENTUALLY FAILED IN THE COMPUTER BUSINESS -- COMPANIES LIKE RCA, BENDIX, AND GE.

UNDER BILL NORRIS, CONTROL DATA SUCCEEDED THROUGH A CONTINUING PROCESS OF INNOVATION AND RISK-TAKING. THE COMPANY PROGRESSED FROM A VULNERABLE, START-UP, HIGH TECHNOLOGY FIRM TO A SECURE FORTUNE 100 COMPANY. CONTROL DATA NOW HAS SALES IN EXCESS OF $4.6 BILLION, AND OUR BUSINESS INTERESTS INCLUDE A GREAT DEAL MORE THAN COMPUTERS. BUT WE ARE YOUNG ENOUGH AND LUCKY ENOUGH TO STILL HAVE WITH US MANY OF THE COMPANY PIONEERS -- INCLUDING, OF COURSE, BILL NORRIS. AS A RESULT, THE ENTREPRENEURIAL SPIRIT HAS ALWAYS BEEN VERY HIGHLY PRIZED AND PROMOTED WITHIN THE COMPANY. THE COMPANY PROVIDES ASSISTANCE TO EMPLOYEES WHO WANT TO START THEIR OWN BUSINESSES THROUGH THE EMPLOYEE ENTREPRENEURIAL ADVISORY OFFICE.

ABOUT TWELVE YEARS AGO, CONTROL DATA BEGAN TO FORMALIZE A BUSINESS STRATEGY THAT HAD BEEN DEVELOPING FOR A NUMBER OF YEARS, WHICH NOW HAS BECOME AN ELEMENT OF OUR CORPORATE STRATEGY. IT IS:

> TO ADDRESS SOCIETY'S MAJOR UNMET NEEDS AS PROFITABLE BUSINESS OPPORTUNITIES.

WHAT THIS MEANS IS THAT INSTEAD OF SIMPLY MAKING A PRODUCT AND THEN TRYING TO MARKET IT, WE LOOK AT NEEDS THAT ALREADY EXIST AND TRY TO TAILOR BUSINESS SOLUTIONS TO THEM. IT IS AN ENTREPRENEURIAL STRATEGY -- FIRST COMES THE IDEA, AND IF IT IS GOOD ENOUGH, THE PROFITS WILL FOLLOW. READ SOCIETY'S NEEDS AS MAJOR MARKETS, AND YOU WILL QUICKLY GRASP THE ESSENCE. ONE EXAMPLE OF THIS IS OUR PLATO SYSTEM OF COMPUTER-BASED EDUCATION. THIS HAS BEEN IN DEVELOPMENT FOR MORE THAN 20 YEARS AND WE EXPECT IT TO BE OUR BIGGEST REVENUE SOURCE IN THE NOT-TOO-DISTANT FUTURE.

ONE OF THE MOST PRESSING NEEDS WE ARE ADDRESSING IS THE NEED FOR JOB CREATION. IT IS NO SECRET THAT THE MAJORITY OF NEW JOBS AND ENTREPRENEURIAL INNOVATIONS COME FROM SMALL BUSINESS, AND YET SMALL BUSINESSES ARE AT A TREMENDOUS COMPETITIVE DISADVANTAGE. ACQUIRING CRITICAL AND AFFORDABLE EXPERTISE, TECHNOLOGY, EQUIPMENT, FACILITIES, AND A HUNDRED OTHER THINGS A BIG COMPANY TAKES FOR GRANTED, IS OFTEN IMPOSSIBLE FOR THE START-UP COMPANY. AS A CONSEQUENCE, OVER 80 PERCENT FAIL, TAKING JOBS WITH THEM.

THIS BRINGS ME TO THE SECOND TOPIC I WANT TO DISCUSS, CONTROL DATA'S COMMITMENT TO SMALL BUSINESS. THE STRENGTH OF THIS COMMITMENT WAS RECOGNIZED THIS PAST MAY WHEN PRESIDENT REAGAN PRESENTED THE NATIONAL SBA SMALL BUSINESS DEVELOPMENT AWARD TO OUR CHAIRMAN BILL NORRIS. THE AWARD, GIVEN THIS YEAR FOR THE FIRST TIME BY THE SBA, CITED CONTROL DATA FOR, AND I QUOTE, "A PARTICULARLY SUPPORTIVE RELATIONSHIP WITH SMALL BUSINESS" AND FOR HAVING AN "IMPRESSIVE SUPPORT NETWORK FOR SMALL BUSINESSES".

FURTHER EVIDENCE OF THAT SUPPORT, I THINK, IS SHOWN BY THE FACT THAT LAST YEAR THE COMPANY MADE OUTSIDE PURCHASES FROM 12,000 SMALL BUSINESSES AND PAID $496 MILLION FOR THESE PURCHASES.

A MAJOR ENTREPRENEURIAL EFFORT UNDER WAY WITHIN CONTROL DATA IS THE SUBSIDIARY IN WHICH I WORK, CONTROL DATA BUSINESS ADVISORS. FOR MANY YEARS CONTROL DATA MANAGEMENT RECOGNIZED THAT SMALLER COMPANIES HAD A NEED FOR AFFORDABLE MANAGEMENT ASSISTANCE. MAJOR CONSULTING FIRMS TYPICALLY HAVE NO INTEREST IN THESE COMPANIES, AND THE RESOURCES THEY DO HAVE ACCESS TO ARE BY NATURE FAIRLY LIMITED. AT THE SAME TIME, THE EXPERTISE REQUIRED BY THESE COMPANIES DOES EXIST WITHIN CONTROL DATA. SO BUSINESS ADVISORS WAS FORMED TO IDENTIFY THAT EXPERTISE AND MARKET IT.

THE BUSINESS ADVISORS SMALL BUSINESS SERVICES COMPANY IS NOW MARKETING A PROGRAM THAT CAN PROVIDE SUPPORT FOR YOUR ENTREPRENEURSHIP EDUCATION AND TRAINING EFFORTS. IT IS CALLED THE BUSINESS DEVELOPMENT PROGRAM. I WILL BRIEFLY EXPLAIN IT AND THEN WILL BE GLAD TO ANSWER ANY QUESTIONS YOU MAY HAVE ABOUT IT.

THE BUSINESS DEVELOPMENT PROGRAM GIVES THE SMALL BUSINESS ACCESS TO AN INTEGRATED SYSTEM OF TESTED MANAGEMENT TOOLS AND TECHNIQUES THAT CAN BUILD A WELL-ORGANIZED, EFFICIENTLY OPERATED GROWING BUSINESS.

SPECIFICALLY, THE PROGRAM WORKS THIS WAY:

THE BUSINESS CONTRACTS WITH BUSINESS ADVISORS FOR A MINIMUM OF THREE MONTHS AND A MAXIMUM OF ONE YEAR. THE BUSINESS OWNER OR A SENIOR MANAGER THEN ENTERS THE BUSINESS DEVELOPMENT PROGRAM WHICH HAS FIVE MAJOR COMPONENTS:

STRATEGY SESSIONS
COMMITMENT AGREEMENTS
SEMINARS AND WORKSHOPS
BUSINESS ADVISORS MANAGEMENT AIDS LIBRARY
IMPLEMENTATION SUPPORT

I'LL BRIEFLY EXPLAIN EACH OF THESE.

THE FIRST COMPONENT IS <u>STRATEGY SESSIONS</u>

THESE REGULARLY SCHEDULED MEETINGS, WITH A CLIENT SERVICE MANAGER WORKING ONE-ON-ONE WITH EACH BUSINESS OWNER ARE THE CORE OF THE BUSINESS DEVELOPMENT PROGRAM. IN THE FIRST STRATEGY SESSION, THE BUSINESS OWNER'S PERSONAL GOAL IS ESTABLISHED, AND PRIORITIES FOR PROGRESS ARE SET TO HELP

MEET THAT GOAL. OBSTACLES CURRENTLY BEING ENCOUNTERED ARE ALSO IDENTIFIED.

A MAJOR PART OF EACH STRATEGY SESSION THEREAFTER FOCUSES ON THE PROGRESS THE BUSINESS OWNER IS MAKING ON OVERCOMING PREVIOUSLY IDENTIFIED OBSTACLES, NEW DEVELOPMENTS SINCE THE LAST SESSION, AND HOW THE BUSINESS IS BEING AFFECTED BY CHANGING BUSINESS EVENTS. AT THE END OF EACH STRATEGY SESSION, THE BUSINESS OWNER AND THE CLIENT SERVICE MANAGER CREATE A SET OF ACTION PLANS AND A COMMITMENT AGREEMENT.

THE SECOND COMPONENT OF THE PROGRAM IS THE

COMMITMENT AGREEMENT

THIS WRITTEN SUMMARY IDENTIFIES ACTIONS TO BE COMPLETED BY BOTH THE BUSINESS OWNER AND CONTROL DATA BUSINESS ADVISORS. AN EXAMPLE COULD INVOLVE THE DEVELOPMENT OF A PROPRIETARY TIME-MANAGEMENT TOOL KNOWN AS THE CONTROLLING CALENDAR, WHICH HELPS THE BUSINESS OWNER PROGRAM TASKS THAT MUST BE DONE ON A DAY-TO-DAY BASIS, AND THE ORDER IN WHICH THEY MUST BE ACCOMPLISHED TO ACHIEVE THE OBJECTIVE. THE BUSINESS OWNER'S COMMITMENT IS TO READ TWO MANAGEMENT AIDS FROM BUSINESS ADVISORS EXPLAINING THE CONCEPT AND THEN TO START WORKING ON THE FORMAT FOR A CONTROLLING CALENDAR. BUSINESS ADVISORS' ACTION INVOLVES SCHEDULING THE BUSINESS OWNERS ATTENDANCE AT A MANAGEMENT SEMINAR TO HELP WITH THE FORMATTING PROCESS.

ACTIONS ARE COMPLETED ACCORDING TO A SPECIFIC TIMETABLE AND REVIEWED AT A STRATEGY SESSION. AS THE SPECIFIED TASKS ARE ACHIEVED, A NEW COMMITMENT AGREEMENT IS MADE WHICH ADVANCES THE PROJECT TO THE NEXT LEVEL.

THE THIRD COMPONENT OF THE PROGRAM IS **SEMINARS AND WORKSHOPS**

BUSINESS ADVISORS' SEMINARS PROVIDE CONCEPTUAL INFORMATION IN THESE AREAS: GENERAL MANAGEMENT, MARKETING, FINANCE, OPERATIONS, AND HUMAN RESOURCES. EMPLOYEES SELECTED BY THE BUSINESS OWNER CAN ALSO ATTEND SEMINARS AND WORKSHOPS TO HELP PUT THE INFORMATION GAINED TO WORK AS QUICKLY AS POSSIBLE. ALONG WITH "HANDS-ON" WORKSHOPS, SEMINARS ADD A MORE FORMALIZED ELEMENT THAT CAN BE COMBINED VERY EFFECTIVELY WITH THE PROGRAM'S PERSONALIZED, ONE-ON-ONE TRAINING.

THE FOURTH COMPONENT OF THE PROGRAM IS
BUSINESS ADVISORS AIDS LIBRARY

IN ADDITION TO OUR WORKSHOPS AND SEMINARS, OVER 1,800 MANAGEMENT AIDS ARE AVAILABLE FROM THE BUSINESS ADVISORS LIBRARY. THESE ARE TOOLS FOR DIRECTION SETTING, DECISION MAKING, AND IMPLEMENTATION.

THE FIFTH COMPONENT OF THE PROGRAM IS **IMPLEMENTATION SUPPORT**

FROM TIME TO TIME, ACTIONS AGREED UPON IN THE STRATEGY SESSIONS ARE MORE DIFFICULT TO IMPLEMENT THAN ORIGINALLY FORESEEN. A TACTICAL MEETING IS THEN ARRANGED WITH THE BUSINESS OWNER AND THE CLIENT SERVICE MANAGER. THE SUBJECT IS REVIEWED IN DETAIL AND THE SITUATION IS RESOLVED.

THE BUSINESS DEVELOPMENT PROGRAM IS A CAREFULLY ORCHESTRATED PROCESS THAT LEADS THE BUSINESS-PERSON THROUGH THESE SEVEN STEPS:

1. THE PERSONAL GOAL

   THIS VITAL FIRST STEP IDENTIFIES THE REASON OR PERSONAL NEED THAT MOTIVATED EACH PERSON TO START HIS OR HER OWN BUSINESS. THE IDENTIFICATION OF A PERSONAL GOAL IS THE PSYCHOLOGICAL KEYSTONE OF THE BUSINESS DEVELOPMENT PROGRAM, AND IT IS REINFORCED BY REVIEW IN EACH STRATEGY SESSION HELD THROUGHOUT THE PROGRAM.

2. THE STRATEGIC OBJECTIVE

WITH THE PERSONAL GOAL IN FOCUS, THE NEXT STEP IS LAYING OUT THE STRATEGY AND KEY OBJECTIVES THAT WILL HELP BUILD A PROFITABLE BUSINESS TO ACHIEVE THAT PERSONAL GOAL. WORKING WITH THEIR CLIENT SERVICE MANAGER, BUSINESS OWNERS LEARN TO USE A RANGE OF BUSINESS-BUILDING MANAGEMENT TECHNIQUES.

3. THE ORGANIZATION

AT THIS STEP IN THE PROCESS, IT IS TIME TO DEVELOP AN ORGANIZATIONAL STRATEGY AND AN ORGANIZATIONAL CHART. A STRUCTURED ORGANIZATION, BASED ON THE BUSINESS OWNERS GOAL AND THE WAY HE OR SHE ENVISIONS THE COMPANY'S FUTURE, MUST BE IN PLACE BEFORE A NUMBER OF CRITICAL DECISIONS CAN BE MADE, SUCH AS COMPENSATION FORMULAS AND CAREER PATH DEVELOPMENT.

4. MANAGEMENT

NOW THE IMPORTANT CONCEPT OF CONTROL THROUGH DELEGATION IS ADDRESSED. REINFORCEMENT TECHNIQUES ARE USED THROUGHOUT THE PROGRAM TO CONVINCE BUSINESS OWNERS THAT THEY WILL NEVER BE IN CONTROL OF THEIR BUSINESS UNTIL THEY START DELEGATING TO COMPETENT PEOPLE.

5. PEOPLE

THIS LOGICAL NEXT STEP DEALS WITH THE TECHNIQUES AND TOOLS OF HUMAN RESOURCE MANAGEMENT. THE BUSINESS OWNER LEARNS HOW TO FIND THE PEOPLE WHO WOULD MAKE GOOD EMPLOYEES, THEN TO HIRE, TRAIN, AND MOTIVATE THEM SO THEIR ACTIVITIES DOVETAIL WITH BUSINESS GOALS.

6. MARKETING

IN STEP SIX, THE FOCUS TURNS TO MARKETING AND THE ELEMENTS OF BUYER BEHAVIOR. BUSINESS OWNERS LEARN TO IDENTIFY THEIR UNIQUE SELLING PROPOSITION AND HOW IT DISTINGUISHES THEM FROM THE COMPETITION.

7. SYSTEMS

AS A FINAL AND INDISPENSABLE STEP, THE BUSINESS OWNERS OPERATIONAL AND FINANCIAL SYSTEMS ARE ANALYZED TO MAKE CERTAIN THEY HAVE THE CAPACITY TO HANDLE THE EXPANSION OF THE BUSINESS BEYOND A SINGLE UNIT. SYSTEMS MUST FUNCTION IN A MANNER THAT ALLOWS THE BUSINESS TO RUN AS WELL WHEN THE OWNER ISN'T THERE AS WHEN HE OR SHE IS ON THE PREMISES. THIS IS ESSENTIAL FOR BUILDING A MULTI-UNIT BUSINESS.

AS WE ARE ALL AWARE, THE SUCCESS OF SMALL BUSINESS IS THE KEY TO THIS COUNTRY'S FUTURE. BUSINESSES CURRENTLY PARTICIPATING IN THE BUSINESS DEVELOPMENT PROGRAM ARE BEING PROVIDED WITH NEEDED RESOURCES, EDUCATION AND TRAINING. WE AT CONTROL DATA BUSINESS ADVISORS ARE READY TO PROVIDE THE PROGRAM TO AN EXPANDED MARKET. I WILL NOW BE GLAD TO ANSWER ANY QUESTIONS YOU MAY HAVE ABOUT THE PROGRAM.

"How Can We Get Support for Entrepreneurship"
(Panel)

by

Ed Davis
Associate Executive Director
Distributive Education Clubs of America

I was very interested to see the topic come up of how to obtain support for entrepreneurship, particularly after a day and a half of hearing support statements from virtually every segment of society.

When you think about it, I'm not sure that support for entrepreneurship, at least in the broad sense, can be considered the issue. Consider that almost every public official, beginning with the President, to the Department of Education, to the National Center, relates in some way or other to education. Think of those organizations in the public sector that impact the community. Witness the 24 members of the State consortium and you see some level of support from at least half the vocational directors in the Nation.

And, I think the support for entrepreneurship goes beyond the public environment. I look at control data and the various private institutions and private businesses involved in efforts to provide entrepreneurship education and services to small business owners, and the impressions I get is that there's a lot of support out there.

So what kind of support are we really talking about; what is the real issue? I submit to you that the issue is not so much

how we can get support for entrepreneurship, but rather, what can we do to support entrepreneurship education.

A few years ago DECA got involved in entrepreneurship. It really wasn't because of our leadership, it was because we were involved with the National Advisory Board and a company called NFIB. I sat down with Betsy Schwammberger and asked, "What can we do for you," not "What can you do for us." And she said, "You can get something started in entrepreneurship." From there, we developed entrepreneurship programs including competitive events, a series of newsletter articles, some teaching guides, and a host of other activities to bring that issue to a higher visibility within the organization.

I think as educators this is the way we should approach the issue of entrepreneurship. I think in whatever environment we're coming from, be it the State level, local level, or school superintendent, what we need to ask people in our community, in our service areas, is "What we can do for you?" I think the answers are going to come out in terms of what the needs are in entrepreneurship. If we can approach the issues from this standpoint, I think you'll find the support is already there.

Oftentimes we educators have taken the position, and I think this is particularly true in vocational education, that the simple and easy solution to any problem is to simply put more Federal money into it. We've relied on that approach for a number of years. In some cases it has worked very well and in other cases it hasn't. Witness the number of programs that closed when Federal support or State support for that project was

withdrawn. I think this says to us that support doesn't necessarily mean monetary funding of projects or the giving of grants, but rather the material and personal kinds of support that enable us to infuse into whatever system that we're involved activities that do indeed help the learner. After all, this is our ultimate goal.

In my organization, we do a lot of work with business and industry. I'm continually fascinated by the approach that seems to work best with business and industry. That approach is to deal with those parts of the overall issue that interest a particular business.

Several years ago, Phillips Petroleum Company got involved in an economic awareness project with DECA. If DECA had talked to Phillips Petroleum about a teacher training program in entrepreneurship, there would have been little interest. However, this company was interested in economic awareness and free enterprise being understood by the school system. That was their "nitch." What we had was a company that was interested in a small piece of the pie. I think sometimes we tend to sell the whole pie without cutting it up into little pieces and allowing everybody to have their proper share.

I'm not going to belabor you with whether or not what we've done has been successful. But I think an approach to working through any system, really falls in line with one of the leadership traits that we try to teach our officers. It is a bit of a cliche, but I think if you think about it and really approach the question of gaining entrepreneurship support from

this perspective, you'll go a long way. It simply says you can get anything in life that you want provided you help other people gain everything they want.

I think if we approach the public and private sectors that are already supporting entrepreneurship, find our little nitch, we'll go a long way.

Model Programs

"Resources Available to the Entrepreneur"

by

Carol Eliason
Director
National Small Business Training Network
American Association of Community and Junior Colleges

NATIONAL SMALL BUSINESS TRAINING NETWORK CONTRACT — August 1980 - September 30, 1984
$905,131.00

Purpose

To improve the quality and quantity of short-term training co-sponsored by two-year colleges with the U.S. Small Business Administration.

Key elements of the contract have included the following:

1. Baseline research into the "marketplace" for small business management training.
2. Development of improved linkages between community colleges and SBA field offices for planning, development and evaluation.
3. Creation of a national data base on community college capacity for training delivery. (More than 3 million person hours of training were reported in 1973.)
4. Development and production of high quality print products targeted to improve offerings of two-year colleges.
5. Technical Assistance to SBA Central Headquarters; 75 field offices and two-year colleges. Although only 275 colleges have signed and met agreements for delivery of training, all colleges in the Association have benefited from newsletters, convention presentations and access to products.

Status

The current contract has been amended and extended twelve times over four fiscal years. As currently structured, AACJC's relationship with SBA's Management Assistance Division will change in FY '85. The current contract will be completed September 30, 1984. A series of discussions have been conducted with SBA over the past four months, as part of their planning cycle. Designated personnel of the agency have been assigned to work with Carol Eliason on priorities for FY '85. The priorities identified have been evaluated, priced and discussed with agency staff. We are currently awaiting word on which tasks should be included in a final proposal and Form 60 submission.

Outcomes

AACJC staff currently has in production five manuscripts which SBA will print for GPO production and distribution as "for sale" products. These have been authored by leading experts in the fields of financial planning; home-based business operations; recordskeeping and marketing . AACJC is currently preparing the manuscripts for technical edit and review by SBA.

Also in process are two additional print products and a newsletter. The largest of the print products is a Training Tools Directory of more than 120 pages. The second product is a short manuscript which describes and evaluates the four Small Business Resource Center models. All of these will be completed by September 30.

Over the past four years, NSBTN has explored and evaluated a wide range of models for effectively delivering small business management training. Our prime focus has been on "high quality, low cost, short term training" that readily lends itself to co-sponsorship with the U.S. Small Business Administration and its 65 district offices. Below are listed some of the products developed to increase the quality and quantity of co-sponsored training.

During that period we have developed the following products:

TRAINING TRENDS

(A free newsletter, currently subscribed to by more than 6,000 persons. It is issued four times per year.)

SMALL BUSINESS TRAINING: A GUIDE FOR PROGRAM BUILDING 2nd Ed. 6/84

The basic "how to" launch text for post-secondary institutions.

SMALL BUSINESS TRAINING: MODELS FOR COMMUNITY GROWTH 2nd Ed. 6/84

Nine exemplary models for delivery of comprehensive training programs.

TRAINING PACKAGES:

Women Business Owners Orientation Program (reissued 1983 under terms of Women's Conf. Agreement)

A 45-hour curriculum and counseling model.

4 1½-hour modules for Women's Conferences, Topics incl: Self-Assessment; Business Planning; Home Based Business Operations and Doing Business with the Feds.

A 4½-hour Workshop with Instructor's Guide, Glossary and Trainee Workbook on Federal Procurement.

13 15-hour Modular Trainers Packages on basic topics for a comprehensive small business management training program. These will be issued by the Government Printing Office for SBA in FY '85. All are competency based.

A Model for developing and operating a successful conference for Veterans interested in owning and/or operating small businesses.

TRAINING RESOURCES:

Small Business Management Resource Guides (4 vol. set) - Vol I, II, Community Colleges Vol III, and IV Four Year colleges and universities syllabi and course descriptions. 1983 with ICSB.

Five new "for sale" publications to accompany key modular training packages will be delivered to SBA September 30, 1984 for printing in FY '85.

NSBTN Contract

Small Business Resource Centers: A One-Stop Services Model (working title)
Pub. Fall 1984.

A "how to" description of four regionally dispersed sites. Each has developed an innovative, cost-effective model for providing support services, outreach and training.

8/31

Carol Eliason, Director
Judy Nye, Associate Director

"Project To Promote Economic Development
Through Entrepreneurship Education and Training"

by

Jerry Davis
Assistant Professor in Marketing
Distributive Education
Entrepreneurship Education Project
Oklahoma State University

As part of the federally funded "Project To Promote Economic Development Through Entrepreneurship Education and Training," a series of workshops were held in 21 cities including Puerto Rico and the Virgin Islands from November, 1983, to June, 1984. At these workshops, educators, entrepreneurs, government officials and interested persons were invited to discuss and share ideas and research toward the development of an overall statement or program of education and training for people who desire knowledge about becoming independently employed through private ownership of a business.

In response to the workshops, selected participants were asked to complete a survey questionaire rating knowledge gained from the seminars, the presentations and quality of the information. Though respondents surveys have been received by this office and statistical data placed in a computerized filing system, the results of the survey have not been analyzed. However, a very brief overview of the resulting information indicated that, on the whole, most participants did gain useful information from the seminars, most especially from resource workbooks which were presented to participants.

In a scale of measurement section which measured the benefits of the workshop on a scale of from one (1) - "No value" - to five (5) - "Very Helpful" - an average of respondents measured a "3.3" to 10 questions which rated the presentation to materials and resources which were shared.

"Group Model Programs"
(Small Group Sessions)

by

Betsy Schwamberger
Director of Education
National Federation of Independent Business

The National Federation of Independent Business (NFIB) is a nonprofit, nonpartisan organization that sells memberships to independent business owners. We now have 560,000 members, which make us the largest small business organization. The major function of the organization is to lobby on behalf of small business via members' opinions on certain key issues. My function as director of education is not to lobby but to present the information about these issues to different constituencies, in particular, the educational community.

We have several kinds of supports. We have educational publications. We have a poster called the "Century of Entrepreneurs" for those educators who don't know exactly how to start that subject. We've briefed a package to include some of the data from the essay "Entrepreneurship Starting a New Business," based on a recent study of entrepreneurs, their characteristics, their career experiences. If you haven't already, this paper is one you ought to read. The endnotes are really excellent, and if you're looking for a bibliography to support your argument, this is an excellent source.

One of the key books that comes from the U. S. Small Business Administration is The State of Small Business, which is published annually. Also, NFIB does quarterly economic research,

for example, in areas such as sales, earning employment, prices, how well you think small business is going to do in the next quarter, and so forth. This information is put together yearly in a published form. I've used these materials for overheads and they are very interesting for both presentations and class lessons. They're one of our easiest distributed resource; one you can get at no cost, if you're on our mailing list.

Also, you ought to utilize our staff. We have State lobbyists in half the States and Federal lobbyists at the Federal level. They are excellent resource people as far as updating you on the issues that are important in your State or at the Federal level. They also know the members in their State and really appreciate the chance to utilize those members for situations that they perceive are worthwhile. They also know the legislators. When you are organizing, they will know who is on which committee and who will be instrumental in helping you get the support you need.

I have another resource that I offer and that is the names of teachers on our mailing list who are interested in information about small business. These people are not necessarily vocational educators; they're at all spectrums of grade level and probably different academic areas. We have them by grade levels. You could ask for the high school teachers in your State or you could ask for all but those teachers in your State. Ed West is going to do a survey of educators in Illinois and add our mailing list to his to find out who's doing what in entrepreneurship so that he can catalog some success stories.

Where can you get this information? I've been working from California which is a real challenge since many of the headquarters of the educational groups that I work with are east of Illinois. However, as part of a reorganization, we are moving several offices to Washington, and starting in January all programs will be there. This means Federal legislation and State legislation, also research, education, and communication. This should be a lot easier because we're all going to be able to talk to each other on a regular basis and I've got a feeling that we will come up with ways to do things for NFIB and for the constituencies that we serve in a mucb more effective manner.

When you request resources or assistance from members, I would suggest that you leave 2 to 3-weeks lead time. It's a little hard for us to do things with an immediate turnaround. Sometimes it's important to get clearance with another department. Sometimes it's important to have time to contact the members that you really need. With 2 to 3-weeks lead time, we should be able to get back to you. Also, I would really encourage you to ask members to make a one-shot commitment on a small time frame. I know if you're looking for membership involvement in task forces that you're looking for continued participation. However, if you could start by involving some of the members of the small business community on an informal basis, for example a one time shot of going into the classroom and presenting what they know about their own business, you will start to identify the ones you'll want on your task forces. This could save you a lot of work in the long run.

So you need to consider a time frame for NFIB and its members, but when you get all those parts together I really think that we can help you, and you'll be helping us, and that's what it's all about.

"Entrepreneurial Training: Tapping Community Resources"

by

Barry Palmer
Director of Continuing Education
Lehigh County Community College

Introduction

A dynamic entrepreneurial training program has been the outgrowth of a unique partnership between academia and the small business world. Lehigh County Community College's Division of Continuing Education and the Small Business Council of the Allentown/Lehigh County Chamber of Commerce (Pennsylvania) have cosponsored an Entrepreneurial Institute since 1982 to provide short term, noncredit training for small business owners and would-be entrepreneurs. The courses feature hands-on, practical applications and deal with specific problems brought into the classroom. In four semesters, the Institute has grown from 12 registrants in one course to a nine course program with over 150 students each semester. The Institute's success can be partially attributed to the working relationship of its sponsors.

This paper presents a description of the Small Business Council, its subsequent Entrepreneurial Institute Task Force and highlights of the program. Woven throughout the paper is the theme of mutual cooperation between the Community College and the Small Business Council.

The Small Business Council

Originally formed in 1976 as a Chamber of Commerce committee, the Small Business "Committee" reorganized in 1980 to create greater credibility and stability. A steering committee was commissioned to draft a set of by-laws, elect officers and publicly state the mission of the group: education, advocacy and communication with legislators. The designation "Council" was chosen to allow flexibility in structure and operation as well as the diverse avenues of in-put and wide range of interests represented.

Since 1980, the Small Business Council has published two general promotional brochures to develop membership and promote activity. A monthly breakfast presentation series was inaugurated and currently averages 70 attendees. A monthly newsletter, ASSETS, has been published since 1980 to share program information, commentaries and legislative updates. In 1983, the first small business exposition, "Main Street, Lehigh Valley," was developed. It's trade show atmosphere featured exhibitors, seminars and entertainment and was preceded by a seminar on successful selling.

The Council exists at the pleasure of the Chamber Board of Governors, but is administered by its own officers and directors. Two elected officers must be owners or principles in their own businesses. The Director of Continuing Education at Lehigh County Community College serves as a Board of Directors member and as chairperson of the Entrepreneurial Institute Task Force.

The Entrepreneurial Institute Task Force

Founded in 1982, the task force is composed of ten Small Business Council members including the Director of Continuing Education of Lehigh County Community College. The initial task of the group was to determine the major responsibilities of each sponsoring organization.

The College is responsible for general administration of the program. Identification of needs, development of short courses for the Institute and recruitment of resource persons to teach and assist with course requirements are the responsibilities of the Council. Both the College and the Council share responsibility for publicity and dissemination of information regarding the Entrepreneurial Institute.

The Program

The Entrepreneurial Institute was developed to provide a short term, noncredit training model for business owners and would-be entrepreneurs. The program was developed in response to an obvious community need for entrepreneurial training which would be of the short course model. At the time of the Institute's inception, most of the training offered in the area consisted of one day workshops and seminars. The Institute's teaching/learning model has been developed according to the psychological/learning needs of student entrepreneurs: appreciation of the value of time and satisfaction from learning based on practical application. This short course program model also provides for analysis of information, synthesis of ideas and questions as well as time for group discussion and individualized instruction.

In noncredit courses adults "vote with their feet." If their learning needs are not being met, they do not return to class. This provides excellent feedback to instructors, as the locus of control for class attendance lies within the student and not on tests, grades or attendance records. Instructors are actual small business persons recruited from the Small Business Council who have a strong commitment to the survival of the entrepreneur. Instructors are partially evaluated by their ability to attract and retain students.

The program presently consists of nine courses.

1. Small Business: Basics I
   7 weeks, 14 hours
   Designed to help would-be entrepreneurs determine if they really are entrepreneurial timber.

2. Small Business: Basics II
   7 weeks, 14 hours
   A case study approach in which the student learns how to formulate a small business plan.

3. Small Business: Bookkeeping
   10 weeks, 30 hours

4. Small Business: Taxation
   3 weeks, 6 hours

5. Small Business: Payroll and Payroll Taxes
   4 weeks, 10 hours

6. Supervisory Impact Skills
   10 weeks, 20 hours

7. Marketing, Advertising and Selling
   5 weeks, 10 hours

8 Office Organization and Communication
   4 weeks, 8 hours

9. Inside Small Business
   7 weeks, 14 hours
   Field trips to a diverse sampling of area small businesses where resident entrepreneurs discuss aspects of managing their business.

Response to the Institute has been overwhelming. Many classes have filled to capacity with additional sections formed to address the need. The Institute has never cancelled a class due to low enrollment. Classes meet at the Community College, the Chamber of Commerce boardroom and in small businesses throughout the area. A program completion certificate is available to students who have completed Small Business Basics I or II and two other Entrepreneurial Institute courses.

In these days of declining smokestack industries and the development of information, service and "high tech" industries, small businesses are again becoming the "backbone of the community." The Entrepreneurial Institute has a definite impact on the redevelopment of the area's economy.

"The Pennsylvania Small Business Development Centers
A Unique Resource for Small Business"

by

Susan M. Garber
State Director
Pennsylvania Small Business Development Center
Wharton School, University of Pennsylvania

THE PENNSYLVANIA SMALL BUSINESS DEVELOPMENT CENTERS provide comprehensive management and technical assistance to small businesses in the following areas:

- o pre-venture evaluation
- o business planning
- o loan packaging
- o marketing and advertising
- o finance and accounting
- o long-term growth strategies
- o other client-specific problems

The Pennsylvania SBDC program is a network of 13 university-based centers and 38 outreach facilities. Together, they form a state-wide resource system available to the 200,000 small businesses operating throughout the 67 counties of the Commonwealth.

SBDC GOALS

- — Support small business growth and viability.
- — Improve management skills of the entrepreneur.
- — Target and address needs of small business and its various constituencies.
- — Ensure responsive, cost-effective delivery of services by leveraging and networking existing resources within the community.

PASBDC TRACK RECORD

- — The number of SBDC centers and their outreach facilities has jumped from 7 in January 1980 to 51 in June 1984, and is still growing.
- — In the past year more than 3700 small business clients received one-on-one counseling from SBDC staff.
- — Over 5900 people attended last year's training seminars which offered instruction in a full range of business topics including:
  - o first and second stage financing
  - o marketing and advertising strategies
  - o government procurement and international trade
  - o human resource management
  - o SBIR and other funding opportunities
- — To date, the PASBDC has assisted over 22,600 small business clients.

PUBLIC SECTOR SUPPORT

The PASBDC is supported by the U.S. Small Business Administration and the Pennsylvania Department of Commerce. Each agency contributes funds and resources to the program on an annual basis. All SBDC activities are designed to complement the efforts and existing programs of its sponsors. Government agencies and programs working closely with the PASBDC include:

- SBA field offices
- state and local commerce departments
- Pennsylvania Small Business Action Center
- SCORE/ACE
- economic and industrial development authorities
- state and federal minority business enterprise and development agencies

PRIVATE SECTOR SUPPORT

Contributions from the private sector are made on two fronts:

- financial — local businesses, institutions and corporations provide the second major source of SBDC program funding.
- professional — the private sector engages in a regular interchange with the SBDCs, co-sponsoring educational workshops, and supplying state-of-the-art business information and specialized counseling to SBDC staff and clients.

The close-working relationship between the PASBDC and the private sector augments the capabilities of each and assures delivery of a full range of services to the small business client. Private agencies and organizations working closely with the PASBDC include:

- universities
- local community development authorities
- chambers of commerce
- trade and business associations
- manufacturing and industrial councils
- venture capital groups

RESEARCH

Each SBDC maintains a high level of research activity in the following areas:

- client-based research — e.g., market and demographic surveys, impact studies, resource guides and business information handbooks.
- community-based research — e.g., economic development and neighborhood revitalization feasibility studies.
- general data base research — bibliographies of available business publications and resources, surveys, economic trends and projections, analyses of business activity in service areas.

Examples of recent published research:

- Getting Your Business Started in the City of Philadelphia (Temple SBDC)
- An Evaluation of the Shopping Environment in Downtown Easton (Lehigh SBDC)
- Venture Capital Primer and Directory of Venture Firms in Pennsylvania (Duquesne SBDC)
- Guide to Marketing Research for the Small Business Enterprise (Pittsburgh SBDC)
- For Women: Managing Your Business — A Resource and Information Handbook (SBDC State Office)

Research results and publications are exchanged between centers and with other interested agencies, thus helping to reduce wasteful duplication and to generate new applications for existing research.

SPECIAL PROJECTS AND ACTIVITIES

In addition to their regular activities, SBDCs continually explore new avenues of service delivery to the business community.

- Technology: SBDCs offer specialized management and technical assistance to small advanced technology firms. Many SBDCs coordinate these consulting services with the state-funded Ben Franklin Advanced Technology Centers. The Bucknell SBDC provides businesses with training and counseling in computer-aided design and manufacturing through its CAD/CAM Learning Center.
- Law: The Wharton and Duquesne SBDCs, using third-year law students and business law experts, are able to offer non-litigious legal counseling to their small business clients. In addition, the Wharton SBDC has established a legal counseling office for advanced technology firms to address industry-related problems such as intellectual copyrights.
- Incubators: Several SBDCs have been closely involved with efforts to establish small business incubator facilities. The Lehigh and Wharton Centers have assigned staff to work with firms located in the incubators within their communities.
- International Trade: Many SBDCs have specially-trained staff to assist small businesses interested in export. The Duquesne SBDC has established a center that specializes in export counseling.

INFORMATION AND REFERRAL

The SBDCs regularly issue publications based on their research. In addition,they maintain libraries covering a full range of business topics as well as up-to-date information on services available from other agencies and professionals. The SBDCs encourage their clients to access these other resources so that they can be assured of the most complete assistance possible.

A UNIQUE AND VALUABLE RESOURCE FOR THE BUSINESS COMMUNITY

Pennsylvania's SBDCs provide a service specially tailored to the needs of the small business community. Because they are located on college and university campuses, the SBDCs are convenient to the majority of the small business population. And, to accomodate those businesses who cannot reach the campus centers, 38 outreach offices have been established in outlying districts around the Commonwealth.

Because the PASBDC serves such a specialized client base, it is able to focus its efforts and to offer programs and services that effectively meet the needs of the small business owner.

Because the PASBDC is recognized as a primary small business resource, an ever-increasing number of private and public sector organizations interested in linking with small business have joined the extensive SBDC network.

If you are connected with or managing a small business, come visit the Small Business Development Center nearest you. See what we are doing in your community.

"Entrepreneurship Training and Education
In Minnesota"

by

Lynda Rago
Small Business/Entrepreneurship Specialist
Minnesota State Board of Vocational-Technical Education

Minnesota's Area Vocational Technical Institutes (AVTIs) have been active in providing quality management education and training to small business owners for over ten years. Through adult vocational extension departments, twenty-four (24) AVTIs throughout the state regularly deliver non-credit, short-term, part-time courses, workshops and seminars to small business owners, inventors and entrepreneurs. Twenty-one (21) of those AVTIs additionally offer Small Business Management (SBM) education, the cornerstone of Minnesota AVTI small business programming (see appendix A, attachment A).

SMALL BUSINESS MANAGEMENT

The Small Business Management program was developed by the University of Minnesota, Vocational Technical Education Department over a three year period from 1973 to 1976, pursuant to a grant from the U.S. Office of Education, Department of Health, Education and Welfare. Testing and refinement of the program was accomplished through the cooperation of the Minnesota Area Vocational Technical Institutes at Anoka, Faribault and Thief River Falls, which currently continue to operate programs in Small Business Management Education.

The program is designed to benefit the participants by:

1. increasing the entrepreneur's knowledge and understanding of the economic and business principles upon which sound business decisions are based,

2. developing the entrepreneur's ability to effectively utilize the decision making process in management of his/her business,

3. developing the entrepreneur's ability to adapt his/her business to change in response to predicted business trends,

4. increasing the businessperson's knowledge of the technical aspects of his/her business operation,

5. increasing the entrepreneur's skills in performing the functions of management and business operation,

6. improving the entrepreneur's ability to recognize the use and values of auxiliary services and agencies in the operation and management of his/her business.

7. increasing interest in the total welfare of the community and increasing civic responsibility.

The SBM program is intended to serve the owner/managers of very small "Main Street" or family businesses who typically need and prefer a very practical approach. Ninety percent (90%) of Minnesota's SBM enrollment is businesses having fewer than 10 employees. The program applies to all sectors of the small business community: retail, service, manufacturing, wholesale, finance/real estate/insurance, construction and transportation are all represented in SBM enrollment.

Small Business Management instruction is provided:

a) at the business, to meet individual business needs,

b) in group sessions, to meet shared educational needs and foster networking among business owners.

Business site and group instruction each occur approximately once per month. Instruction is directed toward improving owner/manager competence in such areas as business planning, record systems, financial analysis, inventory management, computer application, marketing, advertising, taxes, negotiating for money, etc. An outline of the principal curriculum resource for group instruction is attached (see appendix A, attachment B).

A business may enroll for up to three years and may involve any number of business members/employees in instruction. Typically two to four individuals per business participate.

Tuition for the program ranges from $240 to $450 per year, depending on the AVTI. The average is about $350 annually.

ENTREPRENEURSHIP AND INNOVATIONS TRAINING/EDUCATION

Entrepreneurship and innovations training and assistance are offered regularly at many AVTIs. Training is offered in the form of workshops, seminars and individualized instruction (counseling). The outline of one of the seminars, Going Into Business, is attached (see Appendix A, attachment C). Duluth AVTI and 916 AVTI have established Innovations programs which provide assistance to inventors in the process of developing innovations, patenting, licensing, market analysis, etc.

SBM instructors often guide potential entrepreneurs through the process of developing a business plan or in effective referrals to other area resources for business development assistance.

INSTRUCTOR LICENSING

All Small Business Management instructors in Minnesota must be licensed by the state. Licensing requirements include 1) business management experience as owner, owner-manager or manager, 2) technical competence in areas such as accounting, marketing, inventory management, etc., 3) education and training in vocational teaching,

Small Business Management program operation and curriculum, human relations and philosophy of vocational education.

Instructors for part-time programs (short courses, workshops, etc.) serving under 500 hours annually are licensed on the recommendation of the authorized local vocational administrator. Recent, relevant occupational experience and vocational teacher education are recommended.

For less than 61 hours of service, no license is required.

COOPERATION WITH RELATED COMMUNITY ORGANIZATIONS

AVTIs with Small Business Management programs are actively involved in the Lt. Governor's initiative to develop entrepreneurship and innovation throughout the state. Part of this initiative includes the establishment of community-based "Cooperation Offices" which coordinate all area resources to assist small business development.

A number of AVTIs have already participated in the creation of centers for small business assistance in cooperation with Chambers of Commerce, Small Business Development Centers, local economic development corporations, etc. This trend to date includes Duluth, Brainerd, Red Wing, Faribault, Wadena, Bemidji and Mankato AVTIs. More AVTIs are in the planning stages of center development.

AVTIs work with the business community and public agencies to organize and deliver major enrichment opportunities for small business. Examples include the Women's Business Ownership Conference (an SBA initiative), the Western Minnesota Marketing Conference (a cooperative effort among Willmar, Granite Falls, Wadena and Alexandria AVTIs) and the Pine City area Small Business Trade Fair.

STATE STATISTICS

Annually, approximately 2000 individuals enroll in short-term, part-time courses designed specifically for small business owners, entrepreneurs and inventors. In addition, 650-700 businesses (approximately 1300 individuals) annually enroll in Small Business Management. To date, "counseling" assistance cases have not been regularly recorded except when federal funds are utilized to provide this service. However, a conservative estimate would approximate 1500 counseling cases per year throughout the AVTI system.

FUNDING

The State of Minnesota reimburses 75 percent of instructor salary and 50 percent of instructor travel to each AVTI providing Small Business Management and short-term, part-time courses. These adult vocational education aids have covered approximately 50 percent of the actual cost of running programs and courses. The balance of local budgets must be made up with tuitions, fees or other locally

the actual cost of running programs and courses. The balance of local budgets must be made up with tuitions, fees or other locally raised funds. At the time of this writing, the Minnesota Board of Vocational Technical Education is reviewing its funding approach and will likely provide up to 75 percent of total cost in vocational education aids for Small Business Management programs, starting in State Fiscal Year 1986.

IDENTIFYING ENTREPRENEUR CHARACTERISTICS

By James W. Kunz, President
National Research Center for
College and University Admissions

When I was a young lad, my father, who was a strong disciplinarian and believer in "as the twig is bent, the tree shall grow" philosophy, took me bear hunting as a method of survival training. One day, as I stood in the woods, I heard this loud growl behind me. Turning around, I noticed this huge grizzly bear rushing towards me with mouth open and teeth as long as toothpicks. The adrenalin pumped through my body as I raised my gun to shoot...but at the last minute it misfired. My only chance, now, was to run. Noticing a large tree 100 yards distance, I gathered all my strength and ran for that tree with the bears hot breath raising each hair on the back of my neck. Reaching the tree I noticed, with dismay, that the first limb was 50 feet off the ground. My only solution was to reach that limb. Concentrating all the energies in my legs, I stooped and jumped...reaching for the safety of that limb 50 feet high...As you may have guessed, I missed it...but...I caught it coming down.

This story exemplifies the true nature of the entrepreneur...comprising: (1) Idea, (2) Skill, (3) Motivation, (4) Problem solving, and (5) Action.

Entrepreneurs are known by their attitudes. There is a story of an entrepreneur president who claims to have an unfailing test for identifying entrepreneurial types. I throw every candidate right in with the alligators. The establishment person complains that he/she can't farm alligators in a swamp. The entrepreneur farms 60 percent of the alligators, markets another 30 percent of everything but their squeal, drains their part of the swamp, and leases the land for an amusement park overlooking "Alligatorland". The other 10 percent of the alligators is considered the entrepreneurs delayed compensation!

In the final analysis, successful entrepreneurs rely strongly on faith. As author Pat B. Alcorn says, "a person of entrepreneural bent is somewhat like an Indian scout who rides into a green valley where there is no sign of life, reins in his horse and says, "indian's...no tracks...no smoke...no signals...no drums...just something in the wind."

Call it intuition, hunch, luck, or personality quirks, entrepreneurs appear to have more concentrated patterns of successful attitude factors than their contemporaries.

Much has been written about the CHARACTERISTICS of entrepreneurs. Twenty years ago, I began a study of what made entrepreneurs tick. The primary motivation for the project was self discovery...as I had just started my own business. The secondary motivation was to answer the question, "can entrepreneurship be taught?"

I accumulated many ideas over the years, but never quite got around to doing anything with it until I attended a Vocational Education Association Seminar on entrepreneurship, sponsored by Peggy Zelinke...the girl friend of Ed Davis...now his wife. I owe them both a debt of gratitude for refreshing my interest in entrepreneurship education. Thank you, Ed and Peggy.

Coming back to Kansas City, I brushed the cobwebs off my old notes, updated the research, and completed the S.Q. and E.Q. handouts.*

The S.Q. (Success Quotient) and EQ (Entrepreneur Quotient) are not tests in the true sense of the word, but self discovery instruments that can help individuals understand what it takes to go into business and be successful. I use these instruments as teaching devices in my own community seminars on entrepreneurship.

After completing the S.Q. and E.Q. project, I looked around to determine what other entrepreneur research projects I might get involved in.

This led me to the idea of including the words Entrepreneur/Business owner in our national survey of college-bound students.

Each year the National Research Center for College and University Admissions conducts this survey for colleges and universities who utilize the information for identifying talented students and for making them aware of educational, career, and financial aid opportunities.

1984 is the first year that we have this data available for college-bound students.

Tabulating the responses and analyzing the results turned out to be more of an extensive project than I had counted on. There simply is not enough time to cover the results in their entirity. Thus, only selected data is given for college and career choices. For those educators interested in further analysis, please write directly to NRCCUA, 8800 Blue Ridge Boulevard, Suite 316, Kansas City, Missouri 64138, or Professional Systems Corporation at 8540 Blue Ridge Boulevard, kansas City, Missouri 64138. Credit is given to Dr. Bill Gulledge, Ph.D. who did the statistical comparisons on the Quantel Computer.

NRCCUA will continue to tabulate this data, year to year, and offer magnetic tape to researchers for longitudinal studies of potential entrepreneurs.

More important than the data, however, are the following questions that must be raised in light of economic development:

1. Can entrepreneurship be taught?
2. How does entrepreneurship fit historical developments and education?

* For copies of the S.Q. and E.Q. self discovery instruments (also the C.Q.) see Appendix B.

In answer to the first question, my response is No. You cannot teach someone how to be an entrepreneur. You can only teach the skills of business. Entrepreneurship is a state of mental attitude. If necessity is the mother of invention, than opportunity is the mother of entrepreneurship. Inventors do not make good entrepreneurs because they fall in love with their idea. Educators do not make good entrepreneurs because they fall in love with their research. The true entrepreneur acts on impulse to the opportunity...often in response to a crisis. They are movers and shakers...they live in the future. They do not often make good current managers...as shown by the 85 percent failure rate due to management defeciencies. Entrepreneurship requires a process of mentoring...where successful entrepreneur attitudes are formed by osmosis. Business management skills can be taught in high school and college.

Carrying this through one step further, we can backtrack through history to answer question number two. The history of economic development in the United States indicates that it was risky entrepreneurs who took ideas and moved them forward through crisis after crisis, revolution after revolution.

If we plot past innovations with business cycles, we can get a better picture of why entrepreneurship rises and falls with other kinds of human activity including periods of pessimism and optimism.

Remember that necessity is the mother of invention, and opportunity is the mother of entrepreneurship. When Gutenburg invented the printing press, there was additional opportunities to create, publish, and distribute ideas creating jobs for millions. As the U.S. moved from the agricultural revolution through the industrial age and on to high tech, we had numerous periods of innovation and adjustments, but each step offered new opportunities for entrepreneurship...creating new jobs and taking away old...thus requiring new training and new ways of thinking.

The future is on us. For some it will create additional problems. Entrepreneurs will recognize the problems as new and expanding opportunities. Others will take refuge in pessimistic attitudes...One thing is clear, entrepreneurship offers citizens the opportunities of creating their own jobs.

The record of entrepreneurship speaks for itself. Note that:

1. Over 10,000,000 people are involved in some type of independent business activity.

2. More than 50 percent of the private workforce is employed in small businesses.

3. Small businesses,inventors, and other creative types produce anywhere from 20-40 percent of all innovations.

4. Most small businesses are developed without government subsidies.

5. Over 50 percent of all new jobs are created by independent businesses.

6. Small independent businesses help stabilize the American economy.

7. Independent business allows all minorities an opportunity to lift themselves up by their bootstraps.

8. Private business firms offer formal education the best place to train potential entrepreneurs through exposure, exploration, and preparation through cooperative education programs designed by vocational educators.

Finally, if educators want to infuse the idea of entrepreneurship into the school system, I offer the following suggestions:

1. Identify potential student entrepreneurs in the individual schools and develop specific programs for them that are practical, interesting, and meets their needs.

2. Require teachers to be competent in economic and business knowledge, regardless of their teaching major.

3. Develop entrepreneur clubs through DECA and other youth organizations. Sell students on benefits..benefits..benefits.

4. Let students make personal money through school projects instead of making them give away money through fund-raising projects.

5. Develop curricular awareness programs that show how entrepreneurs can make money in art, music, english, math, etc. Help them make connections between theory and practice to satisfy their personal needs as well as others.

6. Stop the insane practice of making students take more credits for graduation. There is no relationship between numbers of credit hours and success in life.

7. Stop pushing college education as the cure-all. Only 20 percent of all jobs require a college degree. Give them practical skills to make a living.

8. Teach the basic skills of reading, writing, math, thinking, comprehension, analysis, human relations, positive attitudes, etc.

9. Push more COE, DOE, SOE, and Co-op education programs for converting theory to practical application.

10. Teach education as a personal investment in the future.

It has been a pleasure being with you. If I can be of any additional assistance, please feel free to call or write me at the following address:

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"Collaboration Model - JTPA and Vocational Education"

by

Darrell L. Parks
State Director of Vocational Education
Ohio Department of Education

A couple of things I want to establish early on is that I'm not going to talk about a model, I'm going to talk about the way Ohio has entered into a cooperative venture to promote and sponsor what is turning out to be a very exciting and a very timely trust in education--that of entrepreneurship education. And second, I'm going to share with you some background information that led us to the point that we are now. In doing so, I'd like to be sure that you understand that this was not some grand master plan or scheme that we embarked upon 2 years ago. It was something that evolved over time and I think might very well serve to provide some insight as to how you might approach entrepreneurship education based upon our experiences.

Early on with the advent of the Job Training Partnership Act, vocational education in Ohio made the assumption that we were going to be an active partner in that process, and consequently, we put together a cooperative plan. With the assistance of the Ohio Board of Regents in developing that plan, we then went to the Bureau of Employment Services and suggested that we sit down and talk about the plan. What that plan indicated was that the 8 percent educational set-aside monies in the Job Training Partnership Act ought to be administered by an educational agency and ought to deal with those training

dimensions and training components that would target the special populations that were covered under the job training partnership perimeters through the public school system.

Now there's a key component within that plan that I think has been instrumental in the collaboration and partnership arrangement that we've enjoyed since that time. That plan provided for a State Education Coordination Grants Advisory Council. This was a small group made up of one representative from the job training partnership staff, one representative from the State job training coordinating council, one representative from the department of education, and one representative from the Ohio Board of Regents. Four people basically were going to assume the responsibility for determining how to invest wisely the 8 percent educational set-aside monies. At a later date the Governor chose to amend that plan by adding a representative from the Department of Development and a liaison from his office. And, in order to give that council credibility with the administrative entities of service delivery areas over the State, we suggested an additional amendment to include a Private Industry Council representative. So, we ended up with a council of 7 people who were to give guidance and direction and who had the authority to deal with the 8 percent educational set-aside monies. Now, if I could I'd like to set that off to the side for a moment.

Another recognition that was rather apparent to vocational education and a lot of people at that particular point in time was that Ohio was in an employment dilemma. Our unemployment

rate was approaching 14 percent, and we had businesses shutting down, particularly in the steel and automotive industries. We weren't short in training in this State, we were short on jobs. We felt that we could deliver the training but the overriding and haunting question kept coming back--for what? We realize that vocational education historically had addressed the supply side of the employment equation but had not given much attention to the demand side of the employment equation.

At about this point in time, the Oklahoma project on entrepreneurship came into existence, and the National Center linked up with the Oklahoma project. Entrepreneurship offered at least one avenue to move us into an arena of job creation as well as job training. So out of that effort came the formation of a State Entrepreneurship Task Force with representation from a number of different agencies. The Department of Development, the Small Business Administration, the National Federation of Independant Businesses, the Ohio Council of Retail Merchants, the National Alliance of Business, the Ohio Chamber of Commerce, Junior Achievement, the Ohio Council of Economic Education, the Ohio Bureau of Employment Services, Vocational Education, and the Board of Regents. We had about everybody that we thought had some kind of interest in entrepreneurship education on that council.

What that council did was begin to discuss the issue of what could be done from a State level or from a State perspective to stimulate interest and train people in the area of entrepreneurship. Now obviously, some of those activities that task force

came up with could be absorbed by those agencies that were involved. We (State department of education) picked up some activities and carried out some tasks that we just absorbed as the normal part of our operation, and other agencies did likewise. There were quite a good display of generosity on the part of many people who led the assistance to this whole task force movement.

But as you would suspect, there were also some activities and some needs that could not be absorbed and would take some kind of additional resources. One of those activities identified by the council was a statewide database--a data bank that could be accessed for critical information for the potential entrepreneur or to the entrepreneur who wants to become better at his or her job. The second activity was a resource catalog or reference manual that we could put into a number of different agencies, a number of different individuals' hands that would provide information and direction as to where to go to get assistance regarding entrepreneurship. Those were expensive activities to attempt to bring into existence. And so, with the assistance of the National Center, two proposals were developed that addressed those two key issues.

Now, we took those proposals to the State Education Coordination Grants Advisory Council and we said, "Here is something about which this council ought to be interested and something that ought to be of interest to JTPA in Ohio." It really wasn't much of a task to sell the State Education Coordination Grants Advisory Council on the importance of these issues. Although there were some intricacies involved in getting the contract

arrangements, between now and the contract termination date, the National Center will be providing the database as well as a resource document. In addition, SEA-elected officials, JTPA-involved personnel, educators at the public education and higher education, and business people from the community will be invited to 5 regional meetings to explain the document's usage.

The scenario doesn't really stop here. The State Advisory Council for Vocational Education has elected during this coming year to take on a project to look at some exemplary training programs in entrepreneurship education offered primarily through vocational education. The thrust of this particular project is to identify common characteristics that cut across those various exemplary programs to provide guidelines on important components in entrepreneurship education at the secondary or postsecondary levels. I think this is going to provide some additional importance to this whole movement.

Recently, we had two teachers involved with vocational education in the Cincinnati area who were provided a grant to visit some projects that we had in operation in vocational education--projects that didn't necessarily have anything to do with entrepreneurship, but projects that were attempting to address some of the needs of the future in terms of how we might adjust programs and change programs to meet those needs. The reason I share this with you is because they came up with four observations that they said were critical in their review of these projects. I want to share those with you because I think they are instrumental in this whole process of promoting entrepreneurship.

They said the successful projects obviously and very apparently filled a specifically felt need. There was a sense on the part of students, there was a sense on the part of the teachers, and there was a sense on the part of the administrators that the program was important. Second, the teachers noted that it was important to have involvement, or to show ownership, early on in the evolution of the activity. Also, project personnel were carefully selected based upon strengths that matched the requirements of the program.

Now, if I translate this last criterion to entrepreneurship, probably it wouldn't be a good idea to recruit someone to teach entrepreneurship that has gone bankrupt three or four times; you need to get someone who has been successful. During the past couple of days, I have noticed some of the presenters at this conference. These presenters are people who have been successful in ventures. Not to deny the fact that you can't learn from your failures, some point in time you've got to understand what the factors are that relate to success, and finally, that it takes a top-down, bottom-up commitment. It takes people at the operational level and it takes people at the administrative level working in concert with each other.

As I look at what we need to be about in terms of entrepreneurship promotions in our educational institutions at any program level, it would seem that these criteria just mentioned might be ones we need to keep first and foremost in our minds as we go about this movement. Part of the task force activities and part of the activities that grew out of the Oklahoma project were

pilot efforts operating around the State. We have three such efforts operating in Dayton, Columbus, and Newark. I think that those are going to provide valuable insight as we continue this thrust in entrepreneurship education.

Well, that's really what I have to share with you. I don't know that it's a model program, but it's been a good experience. And, it's been a resource that 2 years ago we would not have counted on, but one that we depend upon quite heavily today.

"Incubation Models"

by

Marj P. Leaming
Assistant to the Associate Director
Colorado State Board for Community Colleges and
Occupational Education

I have been asked to present to you a comprehensive model that we have designed for our postsecondary vocational education delivery system. The model was developed through the use of advisory committees and the State Task Force for Entrepreneurship Education. Members on the task force include representatives for Colorado Alliance of Business, Colorado Association of Commerce and Industry, the Department of Commerce and Development, Colorado Retail Council, Minority Business Development Center, Office of Regulatory Reform, Small Business Administration, National Federation of Independent Business, Governor's Job Training Office, Colorado Council on Economic Education, Women Business Owners, and Gene Yancy of Yancy and Associates.

We started by utilizing a series of workshops to obtain the input from a variety of representations which include economic development, community growth, advisory committees/councils, vocational administration, community and junior college administration, local entrepreneurs, vocational instructors, continuing education instructors, and teacher educators. In the first workshop, the Small Business Administration and American Association of Junior and Community Colleges were featured. Dr. Carol Eliason of AACJC, and our regional management assistant director, Mr. Ray Dowdle, provided an overview of various models found nationwide, as well as some suggestions that might be appropriate for Colorado. The second workshop focused on an economic development model for despressed areas of the state. The third workshop is where this comprehensive model was first presented for input. A fourth workshop featured the small business management in rural areas which combine retail and agribusinesses. The fifth and last workshop disseminated our research on "Infusing Microcomputers in Entrepreneurship Education."

Presently, many of our institutions have incorporated one or two components of this model and we are hoping that over a period of time, additional components will be implemented until we have a full selection of training and services for entrepreneurs at all of our postsecondary institutions. The postsecondary institutions include the state system community colleges, the local district junior colleges, and area vocational-technical centers. We are hoping to have implemented the concept of entrepreneurship education and training through our postsecondary delivery system so that we will be able to collaborate and contract with the universities as they also provide services and training for small business.

INFORMATION CENTER

We recommend starting with an information center component because this will undoubtedly be the easiest component for our institutions to implement. It would provide written materials and a referral service to small business. This basically requires a collection of books, periodicals, and materials published by local, state, and federal agencies on the establishment and operation of business in Colorado. Most of our business instructors already have a library of textbooks and have collected sample forms and pertinent materials for entrepreneurs for their use in business courses. The next step is to make this collection of resources available to the business community. Through the establishment of a resource center, an individual interested in starting a business could call the local business division of the college or vocational-technical center and ask pertinent questions. The instructor could either meet with that individual or refer him/her to the appropriate agency for technical assistance.

The state became involved as a resource listed in a resource research project, called BusinesSource. This project was funded by Boettcher and Company. The two researchers, Stephen and Donna Booser, researched the sources of assistance to small business and entrepreneurs in the Denver metropolitan area and developed a directory listing 83 different organizations and agencies. We are in process of informing our teachers about this directory as a valuable referral source which contains appropriate and accurate information concerning the agencies and organizations which assist business enterprise.

Starting last spring 1984, we provided workshops for vocational education instructors to learn more about entrepreneurship education. In fall 1984 and spring 1985, more teacher in-services as well as administrator workshops will focus on entrepreneurship education and training.

In addition to vocational instructors, many adult education and continuing education, as well as elementary and secondary teachers, have been involved in entrepreneurship education in Colorado. As a result, our vocational teacher education institution, Colorado State University, has provided workshops to all educators interested in the subject. During summer 1984, one of our teacher educators, Dr. Bert Masterson, facilitated a workshop for university credit. Dr. Masterson is also a very successful entrepreneur in the microcomputer business. In his workshop, individuals from the State Entrepreneurship Task Force, as well as local entrepreneurs served as presenters. Popular speakers included Roy Romer, state treasurer, Jake Jabs of American Furniture Warehouse, Marlene Ospina of Ospina Investors Group, and Bill Shultz of Colorado Retail Council.

CLINICS

Another component is the use of clinics. Clinics are used by some of the universities in Colorado who offer programs in business management. The basic concept of the clinics is to arrange an "executive dialogue session" where a discussion with an expert in a particular field is facilitated. This approach offers small businesses to meet and interact with experts on specific issues. In return, the specialists have an opportunity to meet prospective clients, as well as provide a community service. Many of our colleges and area vocational-technical centers provide clinics by assembling members of their local program advisory committee who are practitioners and invited members of the local community for a discussion on various issues. Examples have been point of purchase displays for Mother's Day, preventing shoplifting at Christmas, building a management team, etc. The use of clinics has been quite successful in getting community backing and the interest of small businesses. It has also served as a means of recruiting for some of the seminars and courses in the Small Business Management programs.

SEMINARS

Another component is seminars. These are short-term seminars on special issues and are often a part of lecture series. Several of the community colleges have collaborated with the local chamber of commerce and the small business administration management assistance to provide excellent seminars on topics such as new tax laws, legal requirements on warranties, developing newspaper ads, etc.

For example, Colorado Mountain College, located in the mountains has developed a series of seminars on home-based businesses. Aims Community College in Greeley has co-sponsored seminars with SBA and the IntraWest Banks. The brochures follow the motto, "IntraWest Banks, Aims Community College, SBA, and you equals success in small business."

TRAINING CENTERS

The training center component involves a combination of courses, either credit or non-credit. Certificates, program or degrees in small business, as well as management certificates with small business option are offered in most of the postsecondary institutions. Many of these courses are offered in the evenings or weekends.

TECHNICAL ASSISTANCE

Technical assistance or one-on-one counseling has been cited as one component necessary to provide much needed service for business practitioners. Some small businesses seek seminars and clinics to solve problems that they experience in their business. As a result, many programs have added the client counseling or individualized instruction component to their offerings. We are currently in the second year of a five-year farm ranch management program where owner/operators enroll in a three-year program composed of monthly classes and on-site visitations by the instructor who emphasizes the use of computerized accounting. We now have a pilot program in agribusiness/retail business at Lamar Community College. This is a three-year program incorporating on-site visitation by either the instructor or community-based experts to the site of the small business as well as monthly classes. Topics include inventory control, review of the accounting books, and use of the microcomputer for business functions.

INCUBATION CENTER

The final component of the small business model is the Incubation Center. This is a type of service which generally requires considerable funding because it includes facilities, equipment and personnel housed in a center. The concept is to provide space, equipment, service personnel, and services to small businesses who are housed in a center where they can start operation at minimum cost. The charges to the small business usually include space, mail service, reception, secretarial service, conference space, etc. The Incubation Center also serves as an area where entrepreneurs can network with other entreprenuers to discuss similar problems. This type of operation is frequently funded through special grants or by venture capitalists. Currently, there are approximately 20 incubation centers in the United States.

We were very pleased to have the first incubator west of the Mississippi River to be implemented in Colorado. The approach taken in Pueblo, Colorado is unique in that they developed a network which includes representation from the Pueblo Community College, economic development, city management, Chamber of Commerce, SAORE/ACE, financial institutions, local business, and others in the planning, implementation, and operation stages. The incubator, called Business Technology Center, opened in September and now has nine business which have met the pre-determined criteria in line with the long range community economic revitalization plan.

The Pueblo Assistance Network is a combination of three major entities: Pueblo Community College, Pueblo Co-op Office, Pueblo Development Corporation and the Business Technology Center. The incubator concept began after recommendations from a study by Controlled Data Corporation concerning the directions for economic development for the city of Pueblo. The city had a building in downtown Pueblo in which the Crest business had moved out, leaving a void of business activity. This building, unused for over a year, fell into dilapidated condition. The city turned it over to Pueblo Economics Development Corporation who then commissioned a local architectural firm to remodel it with decor resembling its orignal condition. The building is large with a central court in which the offices on all four floors can look into a central atrium. On the main floor is the secretarial and reception area. To the sides are common library area, meeting rooms, and computer rooms in which Plato is available. The office space rents on the average of approximately $8 per square foot.

Through the Pueblo Network a collaborative endeavor has successfully attracted new business to the city of Pueblo as well as started to develop necessary buisness activity in the center of town.

Brochures concerning the Pueblo Assistance Network are circulated to the community. The point of intake begins with Pueblo Community College's Small Business center. Individuals interested in business are encouraged to come to the center to ask questions about issues relating to their idea, their business plan, who they should talk to for a loan, etc. At this point a basic assessment of the business idea is provided.

If the client needs more indepth technical knowledge, they are referred to the second entity in the network, the Pueblo Co-op Office. This volunteer, community-based resource organization provides technical expertise to assist clients with the development of a business plan. Then they are referred to the financial institution. Should, for some reason, the client has an excellent idea but does not qualify for a loan with the financial institutions, they may be interviewed a venture-group called Capital Ideas. So far, Capital Ideas have provided seed money for three qualifying businesses. The fourth entity in the network is the Business Technology Center, the Incubator.

We are now starting to collect information on this model to determine how it will impact economic development of the community. By next year, we will have conclusive information on how this model will effect the business growth of depressed areas in Colorado.

Meanwhile, I can say that this project has been a series of chills and thrills for me. Chills from the point of view that we uncovered a lot of problems with the turf, tradition, and trust among the various entities involved in entrepreneurship. And yet, it has been very thrilling to be part of the enthusiasm of all the different players who are very interested in attracting business and developing small business in our state.

For specific information of the postsecondary entrepreneurship education network model, please contact:

Dr. Marj P. Leaming

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A Day in the Life of an Entrepreneur

"How I Became an Entrepreneur"

by

Graydon Webb
President
G.D. Ritzy's, Inc.

I am going to talk about some of my experiences, not only in putting together the G.D. Ritzy's concept, but experiences that parallel the things that this conference is all about.

I grew up in Portsmouth, Ohio, where the steel mill and the shoe industry had been the basis for the economy for years before I was around. In the early sixties, however, the economy took a turn for the worse as the importing of foreign shoes and foreign steel began to make an impact. You either went to work at the steel mill and got a union job, or if they weren't hiring, you went on welfare.

Well, our family fit somewhere in between. It was, I guess, too long a drive downtown to pick up the welfare check. We weren't smart enough to get union jobs so we kind of decided that we had to do something on our own. My dad had often joked about cooking hamburgers in a little restaurant near his high school to earn some pocket change so he could buy a car. I don't know how much pocket change it took back then, but I understand that 25¢ was a lot and $400 was a new car.

Anyway, in 1954, my dad started his own business. It was a dairy barn or dairy bar. Back then to go into business all you did was ask the food supplier to ship some chocolate, some strawberry, and some vanilla, and you were in the ice cream business.

I was only 5 years old, but I got a chance to participate at a very early age in what I'm going to call a "zero base mentality" of how you go into business. Dad didn't have a marketing strategy, but we did drive around and look at a lot of other restaurants. I remember sitting in the back of that old 1953 cadillac that we had and looking up 2 hours later somewhere in Indiana at this new restaurant or drive-in. We'd go in and we'd sit down and eat fruit jello, rice pudding, or maybe chicken. From these trips, my dad put together his own concept. It seemed really simple to me. You just do what feels good and it works.

Well, as I grew up I realized it's not all that simple. In fact, after the second winter in the ice cream business, I found out that mom couldn't buy the little packs of cereal, you know the little individual jobs, but had to buy the puffed wheat cereal that was 99¢ for a million pounds. In fact, I found out we couldn't afford a lot of things. So dad, maybe, hadn't put it all together as easily as I thought when I was young.

This brings me to the time when I was about 8 years old. A funny guy in a white suit, driving a 1957 cadillac, pulled into our root beer stand, which had originally been a dairy bar, and wanted to know if we were interested in selling chicken. I looked up as I was washing root beer mugs and thought I was looking at Colonel Morton, whose pies we had back in the freezer.

Actually, the man in the white suit was Colonel Sanders and this was my introduction to franchising, literally. What these people did at Kentucky Fried Chicken, more specifically the

Colonel and Lee Cummings, his nephew who started another chicken chain called "famous recipe" years later, was to give my dad advice. They were an interim step in educating us about the business.

Sure, my dad had cooked hamburgers when he was in high school. He had put together his own dairy bar operation. But now we had a decision to make. We could either close the place down and dad could go back to selling cars, or we could move ahead and go into business with someone who could advise us. It was the franchising interlock that really helped us become successful in the business world. Little did we know that the chicken business would evolve into the multibillion dollar business that Kentucky Fried Chicken has become. As the business grew more and more sophisticated, what we were able to do as franchisees was imput part of the ideas that became Kentucky Fried Chicken, as well as ideas from other groups of francisees. So you get this network of minds to do one thing: to sell chicken better than anybody else had ever done.

The thing that we have to do as franchisors is to realize the responsibility that we have to educate people on the business that's going on around them. My personal experiences have helped me. Some of the original business principles that I was taught were not only entrepreneurial in concept but a collective knowledge from which I was able to benefit.

Let's take Dave Thomas with Wendy's. I consider Dave a personal friend, and even though we don't see each other a lot, his experiences in the food business to a great extent parallel

mine. He came out of a small operation in Fort Wayne, Indiana, where he was cooking pies, when some guy in a white suit came into the restaurant and sold him on this chicken idea. Eventually Dave moved to Columbus, Ohio, and started his own business, the Wendy's Corporation, which has become one of the key areas of the country, one which Kentucky Fried Chicken used to model their future growth. In fact, Dave is given credit for the "take home" concept that became what most of us recognize Kentucky Fried Chicken to be from 1962 through the early eighties. What Dave did was to draw from the knowledge of the Colonel, his staff, and other franchisees.

Another key thing that I think we as franchisors need to recognize is that there is no ideal format or plan by which to educate others. I can't give you the perfect business plan to start an ice cream and hamburger restaurant, or even a chain, because our market is constantly shifting on us. I'm sure some of you back in your college days had an instructor who was speaking 20 years behind time. Well, fast-food business is a fluent and evolving market. The ideas and principles upon which Kentucky Fried Chicken was founded, or that became Wendy's founding principles, are not the same for G. D. Ritzy's.

I don't know how many times I have sat down with Dave and had him preach simplicity. "Keep it simple stupid" was the precept of our original Wendy's concept. Everything was great until about 1978 when Walter Cronkite came on television and said, "Well, did anybody know that beef isn't really healthy for you? You ought to start eating chicken."

Well, think it didn't scare me! I mean, people had been eating hamburgers for a billion years, and they're going to be eating a lot of hamburgers in the future, too. But, you go to that meat case at the grocery store and note that ground beef is like this and chicken is like that, it tells you something. You've got to move off the old principles and adapt to the times. Hamburgers became a popular sandwich in the 1920s and remained popular through the early sixties. Now, we have popular area foods like Mexican food and Oriental food.

Now, if the entrepreneurial experience doesn't stop the process, conceptionalization will. Just putting something out there and saying it's going to work, whether it's a shoe shine store or a muffler shop or a restaurant, won't ensure success. You constantly have to evolve new ideas, and take risks, and invest capital in new markets.

Today we've (G. D. Ritzy's) got ourselves to the first critical point in our growth; we have 100 restaurants. We opened the first one in May 1980. I don't know of anybody that has opened the door on their very first restaurant and gone to 100 restaurants in 4 years, including McDonalds, Wendy's, or Kentucky Fried Chicken. This growth rate reflects dynamic concepts that didn't always work.

Dave used to joke about sugar creme pie and orange flip and some of the other things he had on his menu before he finally got Wendy's to the point where it could grow. The Colonel's basic idea for Kentucky Fried Chicken was walking into the kitchens of the best hotels and restaurants in every town and saying, "I've

got better chicken than you do," and be thrown out. It took somebody who was an innovator or an entreprenuer like Dave to give the Colonel's recipe and his showmanship a format for National and international potential.

I was talking earlier with someone about international growth that's gone on in the food business. Kentucky Fried Chicken is a prime example. About 6 years ago, I got a chance to meet with Loyd Weston in Japan. We were sitting in Tokyo talking about Kentucky Fried Chicken. Loyd was, in fact, in charge of international operations for Kentucky Fried Chicken.

Well, Portsmouth, Ohio, was about 75 miles from Corbin, Kentucky, which is where the Colonel's first restaurant was. Now, less than 25 years later, we're sitting in Tokyo talking about a National operation. Who would have thought back then that a guy in a white suit would some day have a business deal that the Japanese would understand and appreciated.

I feel the same way about Wendy's. I remember walking into the store that Dave had on Broad Street (in Columbus, Ohio) and people telling him he was crazy and would never sell a hamburger for a buck. Now we're sitting in Tokoyo, Japan, thinking about implementing the idea there.

The bottom line is that there's a lot of growth potential in entrepreneurial ideas. I think another thing we all need to think about when trying to educate other people about entrepreneurship is simplicity. By overcomplicating the situation we may be driving away a lot of people. Reams of paperwork and stacks of books and manuals on how to go into business may not be the

answer. The vocational aspects of training people on the job, for example, gets them a chance to experience some of the things that actually occur in real situations. If anything, maybe we ought to look at a franchising network as an extension of college or secondary education. Of course, that would involve money. Does the student pay tuition or do the taxpayers support a secondary education-level franchising as an in-school, job-related experience. No doubt, franchisors with good reputations and backgrounds can compliment the vocational experience.

I was talking earlier about the people we need in our network. Not only do we need qualified franchisees, but we need qualified people to come into management. Today, G.D. Ritzy's can probably hire more individuals at the midteen to the low-twenties starting salary than can all the accounting firms in Ohio. Multiply that times the Wendy's restaurants, the McDonald's restaurants, the Kentucky Fried Chicken restaurants, and on and on. We provide a great economic opportunity that I think is often overlooked.

Also, in our business, you don't stay a manager for 20 years. You start as a crew member, you move to a trainee, you may be a manager for 3-5 years, then you go into area director-ship, and move on up the ladder. Or, you do like I did and start your own business.

The bottom line is that we as franchisors and you as educators and people concerned about the training of people as we move from an industrial-based economy to a service-oriented economy need to work together.

"What We Know about the Entrepreneur"

by

William Dunkelberg
Chief Economist
National Federation of Independent Business
and Professor, Krannert Graduate School of Management
Purdue University

Now, if you want to know whether or not entrepreneurship is important, all you have to do is look around the economy and you'll find that everything you see is a result of entrepreneurship. You start off small, but you end up big if you do things right, so everything big is entrepreneurial out there, and the big things of tomorrow are the small things that are in the hands of entrepreneurs. So if you look at it from that context, the U.S. economy is really what entrepreneurship is all about. We can still have corporate entrepreneurs and we can have small entrepreneurs, but I think most of us when we think about entrepreneurs think about the guy struggling in the garage with some idea; he makes the first one by hand, and then he moves on up until finally he's got IBM, or something like that.

I guess one of the difficulties we have in discussing entrepreneurship is figuring out what that term means or who we are really talking about. Now I'll take advantage of this confusion to tell you about entrepreneurs. From our study of small businesses across the United States, we've tried to identify some fairly systematic things about those individuals we call entrepreneurs.

Now, let's look at the economy. If you think about entrepreneurship as being a small business, then that's what a large chunk of the economy is. Ninety percent of the firms in the United States have 20 or fewer employees. Ninety-eight percent have fewer than 500. That sounds small to me; I have classes that big. In addition, this small business group produces about half of the gross National product, and they employ about half of the private sector nonfarm work force. It's an incredible chunk of the U.S. economy.

I might also say that small businesses played no small role in this last recovery in terms of providing new jobs. This is the most labor intensive recovery we have seen since World War II. We've never put as many people back to work by any other measure. National Federation of Independent Business (NFIB) surveys, which we've been conducting quarterly since 1973, tell us that the second quarter of last year was the best hiring quarter small businesses have ever had in the 10 years we've been collecting data. So, small businesses really were kicking in a lot of that growth.

Also important is the innovation side. Innovations are hard to study, but the National Science Foundation studies show that small businesses account again for a very disproportionate share of the new ideas that make their way onto your shelves, or your kitchen table, or under your beds, or whereever else they show up. So certainly that's a very important part of the economy, and there's just no way of us getting around it.

Before I press much further with facts, maybe we should try to figure out what entrepreneurship is. How do you define entrepreneurship? What are you studying? What are you looking for? Is there an entrepreneur here? Two people have volunteered, three; why are you an entrepreneur? You own a business? Is it a very big business? Under 20 employees? Over 20, over a 100? So our definition of entrepreneurship seems to be a business that has fewer than 24 employees.

In studying entrepreneurship the first thing we have to do is find entrepreneurs to study. It's hard to define who those people are. They don't have little marks on their foreheads, and they don't have ways of behaving in the first and second grade so you can know how to detect them. Generally, the definition that we've been using is "people who own their own business." And yet, I know a lot of people who take more risks with ideas in the corporate environment than most of the small business owners that I know, and I would consider them to be entrepreneurs as well. So maybe we need to rethink our definition of entrepreneurship. It's more of a spirit, or an attitude; it's a way you approach life. It may be promoting something you think is a good idea, whether it's in a corporate environment or whether you are on your own.

Well, let me tell you a little about the NFIB studies with comments about what entrepreneurship is and then you can draw your own conclusions about how much we've really learned so far about entrepreneurship. NFIB has about 560,000 member firms. These firms are fairly representative of what the census says is out there in the real world. We took a random sample of that

membership via a questionnaire and found the following breakdown. About half of those people who owned a business at the time of the survey started it; so they were the true entrepreneurs. Another 28 percent had purchased an ongoing business, one that had been established by somebody else. Another 15 percent had gotten in the cheap way; they inherited the business. That doesn't mean they're doing a bad job, although when we studied performance in terms of growth, I might point out that the inheritors had the worst record. They grew more slowly on average than the people who started their own business or the people who purchased a business. Another 5 percent were essentially promoted or brought into the head job of their companies, and the other 3 percent didn't know how they got there.

Now let me tell you about collecting the data and designing the study. Our research is basically guided by what prior research had found. There had been a lot of specialized studies done of 100 manufacturers in Michigan and 30 electronics firms in Palo Alto, and there were a lot of smaller studies around that gave us an hypothesis with which to work. For example the entrepreneur has psychological problems with his or her father. Entrepreneurs are people who can't hold a job working for somebody else. Also, there is a much higher incidence of ethnic backgrounds because as a minority, it was hard to get accepted in the regular routine of corporate America; and so they did their own thing. And, there are a whole set of hypotheses that came from research on specialized groups, so we tried to incorporate all those into our work.

Now the problem is we didn't know with what to compare this information. I mean, 13 percent of the population says it's self-employed. So, if you assume that 13 percent of the population is self-employed--and our data showed that 50 percent of the current owners came from families who were self-employed--then obviously, growing up in an environment where there is a family entrepreneur, defined as a small business person, contributes to entrepreneurship. This is especially true in the inherited group. And, if you look at the people who started their own firms or bought ongoing firms, you're still seeing around 45-50 percent of them coming from families with a background in small business.

The foreign stock hypothesis fell by the wayside. As it turns out, the actual incidence of minorities among our own small business members was lower than the National average by a point or two. At least, it was not significantly different. So our data did not support that entrepreneurship was not any more common among the minority members of the U.S. society, because it was harder for them to operate in the regular environment.

It is hard to interpret the results of our research concerning those who start their own firms and still own them. About two-thirds of them had 3 or more full-time jobs before they obviously settled down in their current company. Now whether that's large or not I don't know. Again it's hard to find a figure to compare this data to, but I'm telling you that two-thirds of the small business owners had three or more jobs before they got their company. Now you know something about entrepreneurs.

Now, how do entrepreneurs get started? One theory is that these individuals get fired from their job and maybe nobody else will hire them, so there's no choice but to venture out on their own. The other theory is that they get fired from a job they thought was going to last forever, so what can they do but start from scratch? About 20 percent of the people who started their firms, actually reported that they were pushed out into the hard world of entrepreneurship involuntarily. On the other hand, 60 percent of them said that they went into this whole thing with a lot of planning; it was something they wanted to do; it was an intentional, positive pull that moved them into small business ownership rather than getting fired. So again, you know something else about the entrepreneur.

How do entrepreneurs compare to the rest of the world? Again, I'm not sure how to benchmark this. In terms of experience, we found that the people who started their firms are very deficient in supervisory experience. They've had virtually no experience managing people, which most likely proves to be a problem for them. About two-thirds of them come from firms that have 100 or fewer employees, but that's probably not surprising given that most firms have fewer than 100 employees anyway. So that data didn't really shock us. About 60 percent ended up doing similar or identical work to what they did in the company they left. That is, they ended up producing a similar product or servicing the same customers. Furthermore, we found that these people were much more successful than those who tried to do something totally different. Interestingly enough, only 20

percent of the small business owners surveyed were doing totally different things than they had done in their previous jobs.

How about goals? We said that one of the positive things about entrepreneurship is that you do what you want to do with your life. Forty percent of those surveyed named this as their major goal. This showed up in another way for another 25 percent who told us that they really wanted to avoid having to work for others. About 30 percent said that they were in business for themselves to make more money. Another 30 percent said that they were in business because they wanted to build a big successful organization.

We asked a lot of questions about attitudes and goals, and then tried to condense them into something fairly simple so we could understand what the answers meant. We actually found that the data condensed very nicely into three categories: growth-oriented people, independence-oriented people, and craftsmen-oriented people. I'm surprised we only got these three groups. However, we're dealing with a very heterogenous group of people who are there for a lot of reasons, yet we're able to predict how they fall into these groups with a fair amount of precision. For example, what was real important for the growth-oriented people was their desired growth rates for the next 5 years. That separated them from everybody else. These people wanted to grow. The only factor that isolated the independence-oriented people from everybody else was the question about avoiding working for others. Nothing else seems to matter. Then, there were two major factors that isolated the craftsmen-oriented people from

the others. One was doing the kind of work they wanted to do, and the other one was being more comfortable handling technical problems than working with management issues. Those were the kinds of factors that told us what those various types of entrepreneurs were like.

We haven't given up our study of entrepreneurs yet, but I think we may be wanting to change our emphasis. That is, I think we have to stop looking for physical characteristics that are going to identify entrepreneurs and look more toward the kinds of environmental factors that affect entrepreneurs. We are about to undertake a 5-year longitudinal study of about 20,000 firms in their first year. We're going to follow them forever, including collecting background data.

My general conclusions about our research is that entrepreneurs are not as different as research had led us to believe. If you take them as a total, they tend to look a lot like the rest of us. If we specialize these studies and look at only one kind of firm, like manufacturing firms that are tied to the auto industry, we might find some interesting things, but then of course the generality of those results are not particularly strong. What we do seem to find is that the attitudinal and emotional questions about goals and how they feel about things and what they want to accomplish do a better job of identifying entrepreneurs than the objective measures such as background or education and who they worked for before they became entrepreneurs.

That leads me to conclude that we have to learn more about the environment in which we expect entrepreneurship to expose itself and bloom and grow. And that probably begins with education all the way back to the primary level. Obviously, an educational environment that does not cultivate self-expression and creativity and doesn't offer options and choice is not going to create a good climate for entrepreneurship. If we move beyond grade school into high school, I think we've missed the boat for entrepreneurship.

The only thing my high school did and boasted about was that its senior English course was as good as the college freshman course. High school and college were in competition. College preparatory was what it was all about, and yet, when I finished high school, I couldn't balance my checkbook. I think we really lost track of what high school should be and the fact that not everybody goes on to college and that most people are going to go out and do other things, including becoming entrepreneurs. So when I was in school, we did not have opportunities to become the kinds of creative problem solvers that entrepreneurs need to be. Even today we don't really have an educational program that is oriented toward, or focused on open-end problem solving. I'm convinced that we've missed something somewhere along the line.

Then, we have the general environment to contend with. I think we need to focus more on Government regulations that have a profound effect on the economy. That reminds me of the Dear Abby story, which has nothing to do with regulations but shows you how these regulations can screw things up. A young lady writes in

and says I'm pregnant but I don't know who the father is because my mother wouldn't let me go steady. Now that's an example of a well-intended regulation imposed on a complicated process that screws everybody up and that's what happens in this environment. Government has become a larger and larger part of this economy.

The tax structure is another very important part of the current environment that we really have to worry about. It always amazed me that we could talk about Government job creation. What can Government job creation do, and how can Government create jobs? The best job creation program you've got going is an excited entrepreneur. I mean the facts now show that that's where your job growth is. The best thing you can do if you want a jobs program is to stimulate these people to get out and grow. I know that taxes are a problem for our entrepreneurs since they write this on my quarterly surveys. Even with interest rates around and high inflation a couple of years ago, taxes always hang in there. They say, "I could double the size of my firm in 2 years or 3 years," and this is a quote from a lot of them, "but it isn't worth the effort." Why not let the entrepreneurs keep a little bit bigger piece of the action if in fact they're really going to grow and create jobs. I think we have to take a very hard look at the tax structure in terms of the entironment to see what's going on.

To sum up, we're rethinking how we're going to study entrepreneurship, who entrepreneurs really are, and how to foster entrepreneurship. I've told you about everything we've found out in terms of characteristics of entrepreneurs. I think we need

more focus on the impact of the environment. Not just the current environment with taxes and regulations and those kinds of things, but also what might shape the entrepreneurial mood of people as we take them through the education process. I think we can have an impact that will foster this unknown thing we call entrepreneurship that lurks to varying degrees in the hearts of all of us and in some of us explodes into what we call today the small business community.

Small Group Outcomes

"Educating and Training the Potential
and Existing Entrepreneur"

by

David Gillette
Chief
Bureau of Economic Development Coordination
New York State Education Department

The group reviewed the New York State's entrepreneurship task force activities.* It looked at the structure, process and potential outcomes. Discussion lead to several issues being raised including:

Economic Impact:	For entrepreneurship to have a significant role in educating people in the value and importance of small business development we must point out the economic value of successful programs. This value must be stated in economic terms that will be seen as important to political, community and educational leaders.
Business Death/ Birth Rate:	The David Birch study out of MIT provides data about the Birth and Death of small businesses. It was suggested that data be provided that will help educators and others to understand the; who, what, how, and why of small business and entrepreneurship. It was felt the short term quality education and training programs could potentially reduce failure rates and the long term quality inschool instruction (k through lifetime) could expand birth rates of small business and the survival rate.

*For additional information about entrepreneurship education state task forces see A National Entrepreneurship Education Agenda for Action, by Novella Ross and others (Columbus, OH: The National Center for Research in Vocational Education, The Ohio State University, 1984).

Opportunity:	Entrepreneurship, small business training gives VOC ED and institutions in general an opportunity to serve target populations. These programs provide an exciting option for dislocated workers, minorities, women, and others. Education can provide a truly valuable service to society in such programs.
Problems:	Commitment of staff by top management provides for participation of task force members and protects the task force from intrusion by special interest groups.
Expectations:	Preplanning and brainstorming in preparation for meetings is important and maintain time lines.
Resource Commitment:	Check on the existance of interagency groups. Consider informal meetings with key agencies ie. commerce, agriculture, labor, Governors office, legislature, and educators. Know and understand other agencies activities and see if you can offer program or financial assistance. Forge linkages and cooperation between agencies, take strong lead roles when possible.
Implementation:	. Recognize that you are competing with other priorities for staff time, money, and space. . Attempt to limit activities to reasonably obtainable ones, reach out but understand how far you're going. . Establish a political base and publicize outcomes.

"Educating and Training the Potential
and Existing Entrepreneur"

by

David Harriman
Director
Vocational Planning
Missouri Department of Elementary
and Secondary Education

In our group, we had two other States that had task forces involved with this whole infusion effort. We talked at some length about our task force membership and this initial effort at collaboration. Then, we tried to hone in on what we perceived our assignment to be: to discuss the problems about infusing entrepreneurship education into existing vocational curriculum and interagency collaboration as a process.

In discussing the assocated problems, I think our group hit first and foremost on the issue of inservice and preservice education. We have a group of people out there teaching students who come from a background not associated with entrepreneurship and the creation of small businesses. We identified a couple of possible solutions. Some States and their vocational curriculum have core items or core objectives associated with each vocational program area. It was discussed in our group then, that in this core area entrepreneurial concepts could be introduced. The other suggestion that was identified in terms of a solution, came from a discussion of what happened in Missouri and one of the recommendations that culminated from our task force activities to date.

One of the recommendations to the Missouri task force was that in order for effective infusion of entrepreneurship in the vocational curriculum, this process has got to begin much earlier, that is, in the elementary school. A concensus agreement by the Missouri task force then was that certification requirements for teachers, even at the kindergarten level, include a requirement for economic courses where the teachers at least could talk about the economy in a meaningful way.

A second issue or problem that was identified with the total effort at infusion and the total effort at interagency collaboration is that it will take time, given that there has got to be a resource base, a concensus, and a purpose for the collaboration and cooperation beyond the vocational division of the State department. It cannot exist just within the department of education. It's going to take top-level political support that will include education--economic development agencies at the State level and so on.

Fragmentation was probably the largest issue that we identified as a problem, and we didn't really come up with a solution. There is a control factor that will be necessary for any plan of effective implementation or entrepreneurship education into standard and vocational curriculum. Fragmentation exists on a National basis. It would be helpful in Missouri if we knew of other task forces and could coordinate our efforts with them. A coordination, a getting together, a communication between the Federal level and the State level could be very advantageous for all concerned. The only solution that was indicated in the group

was that we communicate better and work together toward a unified purpose.

Another problem that was mentioned was the inability to hire someone full-time to attend to efforts. This furthers the fragmentation of our efforts in our States. We talked about this in the context of the problems associated with effective infusion.

In Missouri, in addition to the task force, we have informal discussions with other key players, such as our instruction of materials laboratory director. I've worked with him, he knows what our task force ideas are, he knows what the objectives of it are, and he has worked very closely in accumulating resources for infusion purposes. So, curriculum is not really the problem in our State; it's infusing that curriculum effectively and meaningfully.

To sum up, fragmentation is a problem at the Federal, State, and local level. I think we can establish among the various levels of Government and between the States and local school districts networks to eleviate much of this problem. However, in the future, we are going to be looking into other ways we can best address the whole problem of fragmentation.

Educating and Training
the Potential and Existing Entrepreneur
(Small Group Session)

by

John Frazier
Program Director
Marketing and Distributive Education
Florida State Department of Education

Major Observations

1. We must have a statewide educational game plan. This plan must have the concrete support of State education higher officials.

2. State task forces should address the issue of interaction with all delivery systems (public and private).

3. We must identify what is available.

4. We must identify what is needed.

5. Economic development and entrepreneurship training go hand in hand. A community must recognize the need for both.

6. The life-long learning model should be studied. Each State should determine at what educational level the steps of the model will be applied.

7. A commitment to preservice and inservice training is critical to the development of effective program and infusion activities.

Other Observations

1. We should develop a list of resources (people and materials)

2. MDE state-level staff may not be in a position to do the best job of infusing entrepreneurship education in Voc. Ed. A person that does not have responsibility for a VOC AVA (MDE, Industrial, Business) might be better at the task.

3. "Don't let your mouth buy what your bank account can't pay for."

Appendices

Appendix A

Minnesota Small Business Management Program

Rev. 8-31-84

ATTACHMENT A

AVTIs WITH SMALL BUSINESS MANAGEMENT PROGRAMS AND SERVICE
21 AVTIS; 24 INSTRUCTORS

Alexandria AVTI
1600 Jefferson Street
Alexandria, MN 56308
612/762-0221
SBM Instructor: Don Lofthus
Adult Ext. Director: Don Bluhm

Anoka AVTI
Box 191
Anoka, MN 55303
612/417-1880
SBM Instructor: Earl Ogren
Adult Ext. Director: Gerald Stuhr

Austin AVTI
1900 NE Eighth Avenue
Austin, MN 55912
507/433-0600
SBM Instructors: George Berg,
Duaine Giffen
Adult Ext. Director: Larry Achterhoff

Bemidji AVTI
Roosevelt Road & Grant Avenue
Bemidji, MN 56601
218/751-4137
SBM Instructor: Bill Helgen
Adult Ext. Director: Ron Svedjan

* Brainerd AVTI
300 Quince Street
Brainerd, MN 56401
218/828-5302
SBM Instructor: Ron Johnson
Adult Ext. Director: Bob Hill

Canby AVTI
Canby, MN 56220
507/223-7252
SBM Instructor: William Golbuff
Adult Ext. Director: Roger Fransen

Dakota County AVTI
1300 145th St. East
Rosemount, MN 55068
612/423-2281
SBM Instructor: Bob Macaulay
Adult Ext. Director: Jerry Johnson
Evening Coord: Jack Powell

Detroit Lakes AVTI
Highway 34 East
Detroit Lakes, MN 56501
218/847-1341
SBM Instructor: Al West
Adult Ext. Director: Mark Greenig

** Duluth New Business Cooperative Office/
Business & Technology Center
325 Lake Avenue South
Meierhoff Bldg., Suite 504
Duluth, MN 55802
218/722-8422
Center Director: Wallace Baker
SBM Instructor: Jay Kreft
Adult Ext. Director: Rodger Palmer
Duluth AVTI
2101 Trinity Road
Duluth, MN 55811
218/722-2801

*** Faribault AVTI
1225 SW 3rd Street
Faribault, MN 55021
507/334-3965
SBM Instructor: Ken Henricksen
Adult Ext. Director: Nate Johnson

Granite Falls AVTI
Highway 212 West
Granite Falls, MN 56241
612/564-4511
SBM Instructor: Jack Hawk
Adult Ext. Director: Marlin Wacholz

Hibbing AVTI
2900 E. Beltline
Hibbing, MN 55746
218/262-3824
SBM Instructor: Warren Lagerquist
Adult Ext. Director: Charlotte Skibicki

Mankato AVTI
1920 Lee Boulevard
Mankato, MN 56001
507/387-1851
SBM Instructors: Gary Schmidt,
Mike Gallagher (P.O. Box 608,
New Ulm, MN 56073)
Adult Ext. Director: Dan Kocer

Minneapolis Technical Institute
1415 Hennepin Avenue
Minneapolis, MN 55403
612/370-9433
SBM Instructor: Jack Oman
Adult Ext. Director: Mary Charles

Pine Technical Institute
1100 Fourth Street
Pine City, MN 55063
612/629-6764
SBM Instructor: John Sparling

*** Red Wing AVTI
Highway 58 @ Pioneer Road
Red Wing, MN 55066
SBM Instructor: Marv Bollum
Adult Ext. Director: Pat Enz

St. Paul TVI
235 Marshall Avenue
St. Paul, MN 55102
612/221-1431
SBM Instructor: Frank Muckenhirn
Adult Ext. Director: Linda Thedens

Thief River Falls AVTI
Highway #1 East
Thief River Falls, MN 56701
218/681-5424
SBM Instructor: Don Jonson
Adult Ext. Director: Dorothy Dodd

Wadena AVTI
Office Located at Wadena Development Center
317 South Jefferson
*** Wadena, MN 56482
218/631-2674
SBM Instructor: Paul Kinn
Adult Ext. Director: Jim Baymler

Willmar AVTI
Box 1097
Willmar, MN 56201
612/235-5114
SBM Instructor: Dennis Wilde
Adult Ext. Director: Roger Iverson

916 Vo-Tech
3300 Century Avenue
White Bear Lake, MN 55110
612/770-2351 Ext. 411
SBM Instructors: Wayne Wise,
Robert Rodine
Adult Ext. Director: Chuck DeVore

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* Also designated as an SBDC (Small Business Development Center)

** A cooperative venture of the Duluth AVTI and various private public sector organizations.

*** Also an SBDC satellite office.

SMALL BUSINESS MANAGEMENT CURRICULUM OUTLINE

The SBM curriculum is targeted for small business owners who have been in business prior to entering the program. SBM instructors in practice will re-sequence and tailor curriculum content to meet the needs of the particular business and business owner. A complete documentation of instructional objectives, content, instructor references and materials, etc. is available through the Minnesota Curriculum Services Center (MCSC), White Bear Lake, Minnesota. Instruction is delivered through a combination of individualized business-site and group setting formats.

SMALL BUSINESS MANAGEMENT I: BEGINNING SMALL BUSINESS RECORDS

- YOU AND BUSINESS MANAGEMENT
- RECORDS - THE LANGUAGE OF BUSINESS
- PROFITABILITY THROUGH INVENTORY MANAGEMENT
- PAYROLL RECORDS & GOVERNMENT REPORTS
- THE BALANCE SHEET
- THE PROFIT AND LOSS STATEMENT
- CASH FLOW/CASH MANAGEMENT
- ACCOUNTS RECEIVABLE CONTROL AND CREDIT MANAGEMENT
- EMPLOYER-EMPLOYEE RELATIONS
- METHODS AND EFFECTS OF DEPRECIATION AND INVESTMENT CREDIT
- THE EFFECT OF INCOME TAX ON SMALL BUSINESS MANAGEMENT
- YEAR-END CLOSING

SMALL BUSINESS MANAGEMENT II: SMALL BUSINESS ANALYSIS

- UNDERSTANDING STATE AND FEDERAL INCOME TAXES
- RISK MANAGEMENT AND INSURANCE
- CASH FLOW ANALYSIS AND PROJECTION AND BREAKEVEN ANALYSIS
- GENERAL INTERPRETATION - ANNUAL BUSINESS ANALYSIS
- BALANCE SHEET ANALYSIS
- PROFIT & LOSS STATEMENT ANALYSIS
- ESTABLISHING SALES OBJECTIVES THROUGH COST ANALYSIS
- FIXED ASSET STRATEGY
- FORECASTING AND BUDGETING
- EVALUATION OF SMALL BUSINESS
- THE EFFECT OF INCOME TAX ON SMALL BUSINESS MANAGEMENT
- YEAR-END CLOSING

SMALL BUSINESS MANAGEMENT III: SMALL BUSINESS REORGANIZATION

- THE BUSINESS PLAN
- WHERE AM I?
- MEANING OF TWO YEAR RECORDS
- LONG RANGE CASH FLOW AND PROFIT PROJECTION
- EVALUATION OF PROFITABILITY
- INTERNAL MANAGEMENT CONTROLS
- MARKET ANALYSIS - PRICING
- STRATEGIES FOR IMPROVING MERCHANDISING, ADVERTISING, AND PROMOTION
- ASSET MANAGEMENT AND CAPITAL BUDGET - INVESTMENTS
- FINANCE AND LEVERAGE
- ENERGY MANAGEMENT AND CAPITAL BUDGET - INVESTMENTS
- ENERGY MANAGEMENT FOR SMALL BUSINESS
- YEAR-END CLOSING

GOING INTO BUSINESS CURRICULUM OUTLINE

A complete curriculum document is available through the Minnesota Curriculum Services Center (MCSC), White Bear Lake, Minnesota. Curriculum is delivered via a workshop series format.

MODULE #1	Decision Making Steps
MODULE #2	Financing a Small Business
MODULE #3	Location of Small Business
MODULE #4	Record Systems
MODULE #5	The Balance Sheet and Profit and Loss Statement
MODULE #6	Purchasing
MODULE #7	Marketing
MODULE #8	Sales
MODULE #9	Cash Flow
MODULE #10	Taxes and Depreciation
MODULE #11	Insurance
MODULE #12	Management Controls for Small Business
MODULE #13	Employer-Employee Relations
MODULE #14	Break-Even Analysis
MODULE #15	Maximizing Profit

Appendix B

S.Q., E.Q., and C.Q. Self Discovery Instruments

COMPARE YOUR SQ

DESCRIPTION:

The "SQ" is short for SUCCESS QUOTIENT. . .a highly specialized checklist of words that describe successful human behavior.

INSTRUCTIONS:

Quickly read each word and honestly ask yourself if this characteristic applies to you. Then give yourself a score between 1 and 10 with 10 being high. Continue doing this until you have matched each word with your own personal image of yourself. When you have finished, count up the total score by adding all of the chosen word numbers. Total points equal 2,250.

INTERPRETATION:

This is not a test, and there are no right or wrong answers. You have only compared yourself with known characteristics of successful persons. The closer you are to 10 on each scale, the better your chances are of leading a successful life. If you do not like your current self image as it relates to success, don't complain. . .learn to change it by changing your attitudes, developing skills, and becoming self-directed through the study of success methods, imitating a mentor, reading success books, going back to school, changing jobs, and giving up negative habits.

Successful people are not successful by accident. They have learned to live by and apply the laws of success. These individuals are found in all walks of life. Age, sex, and ethnic background never make a difference. They are known by their images, reputations, and achievements. They include students, housewives, secretaries, businessmen, professionals, laborers, millionaires, writers, artists, poets, teachers, and government workers.

Various studies of successful individuals throughout history have shown that, as a group, they exhibit the characteristics as found in the SQ. In addition, their success has always been defined, very simply, as "the progress an individual makes towards a predetermined and worthwhile goal."

In the literature of history, they are often referred to as scholars, champions, victors, winners, heros, lions, tigers, leaders, entrepreneurs, creators, innovators, and eagles. They dream, have mighty visions, are classified as mavericks, and are known to be performance oriented. They fly higher than most, live on the edge of the future, and are known by the goals they achieve. You too can become one. . .if you are willing to put forth the effort.

PERSONAL IMAGE

Hair	1 2 3 4 5 6 7 8 9 10
Skin	1 2 3 4 5 6 7 8 9 10
Clothes	1 2 3 4 5 6 7 8 9 10
Manners	1 2 3 4 5 6 7 8 9 10
Teeth	1 2 3 4 5 6 7 8 9 10
Nails	1 2 3 4 5 6 7 8 9 10
Shoes	1 2 3 4 5 6 7 8 9 10
Health	1 2 3 4 5 6 7 8 9 10
Language	1 2 3 4 5 6 7 8 9 10
Attitudes	1 2 3 4 5 6 7 8 9 10
Values	1 2 3 4 5 6 7 8 9 10
Education	1 2 3 4 5 6 7 8 9 10
Temperaments	1 2 3 4 5 6 7 8 9 10
Skills	1 2 3 4 5 6 7 8 9 10
Relationships	1 2 3 4 5 6 7 8 9 10
Home	1 2 3 4 5 6 7 8 9 10
Family	1 2 3 4 5 6 7 8 9 10
Possessions	1 2 3 4 5 6 7 8 9 10
Habits	1 2 3 4 5 6 7 8 9 10
Achievements	1 2 3 4 5 6 7 8 9 10
Job	1 2 3 4 5 6 7 8 9 10
Spiritual	1 2 3 4 5 6 7 8 9 10
Physique	1 2 3 4 5 6 7 8 9 10
Behavior	1 2 3 4 5 6 7 8 9 10
Interests	1 2 3 4 5 6 7 8 9 10

INTERNAL DRIVE

Tenacious	1 2 3 4 5 6 7 8 9 10
Initiative	1 2 3 4 5 6 7 8 9 10
Determined	1 2 3 4 5 6 7 8 9 10
Consistent	1 2 3 4 5 6 7 8 9 10
Motivated	1 2 3 4 5 6 7 8 9 10
Dependable	1 2 3 4 5 6 7 8 9 10
Reliable	1 2 3 4 5 6 7 8 9 10
Ambitious	1 2 3 4 5 6 7 8 9 10
Enthusiastic	1 2 3 4 5 6 7 8 9 10
Involved	1 2 3 4 5 6 7 8 9 10
Purposeful	1 2 3 4 5 6 7 8 9 10
Disciplined	1 2 3 4 5 6 7 8 9 10
Concentrated	1 2 3 4 5 6 7 8 9 10
Acts	1 2 3 4 5 6 7 8 9 10
Desires	1 2 3 4 5 6 7 8 9 10
Decisive	1 2 3 4 5 6 7 8 9 10
Dedicated	1 2 3 4 5 6 7 8 9 10
Confident	1 2 3 4 5 6 7 8 9 10
Committed	1 2 3 4 5 6 7 8 9 10
Risks	1 2 3 4 5 6 7 8 9 10
Prepares	1 2 3 4 5 6 7 8 9 10
Resourceful	1 2 3 4 5 6 7 8 9 10
Energetic	1 2 3 4 5 6 7 8 9 10
Inspirational	1 2 3 4 5 6 7 8 9 10
Persistent	1 2 3 4 5 6 7 8 9 10

WINNING VALUES

Grateful	1 2 3 4 5 6 7 8 9 10
Humble	1 2 3 4 5 6 7 8 9 10
Courteous	1 2 3 4 5 6 7 8 9 10
Cheerful	1 2 3 4 5 6 7 8 9 10
Tactful	1 2 3 4 5 6 7 8 9 10
Loyal	1 2 3 4 5 6 7 8 9 10
Honest	1 2 3 4 5 6 7 8 9 10
Ethical	1 2 3 4 5 6 7 8 9 10
Faithful	1 2 3 4 5 6 7 8 9 10
Trustworthy	1 2 3 4 5 6 7 8 9 10
Responsible	1 2 3 4 5 6 7 8 9 10
Thankful	1 2 3 4 5 6 7 8 9 10
Accepting	1 2 3 4 5 6 7 8 9 10
Appreciative	1 2 3 4 5 6 7 8 9 10
Kind	1 2 3 4 5 6 7 8 9 10
Cooperative	1 2 3 4 5 6 7 8 9 10
Empathetic	1 2 3 4 5 6 7 8 9 10
Compassionate	1 2 3 4 5 6 7 8 9 10
Friendly	1 2 3 4 5 6 7 8 9 10
Understanding	1 2 3 4 5 6 7 8 9 10
Loving	1 2 3 4 5 6 7 8 9 10
Patient	1 2 3 4 5 6 7 8 9 10
Respectful	1 2 3 4 5 6 7 8 9 10
Forgiving	1 2 3 4 5 6 7 8 9 10
Sympathetic	1 2 3 4 5 6 7 8 9 10

ACADEMIC CHARACTERISTICS

Calm	1 2 3 4 5 6 7 8 9 10
Friendly	1 2 3 4 5 6 7 8 9 10
Cooperative	1 2 3 4 5 6 7 8 9 10
Optimistic	1 2 3 4 5 6 7 8 9 10
Constructive	1 2 3 4 5 6 7 8 9 10
Disciplined	1 2 3 4 5 6 7 8 9 10
Conservative	1 2 3 4 5 6 7 8 9 10
Statistical	1 2 3 4 5 6 7 8 9 10
Social	1 2 3 4 5 6 7 8 9 10
Adjusting	1 2 3 4 5 6 7 8 9 10
Adaptable	1 2 3 4 5 6 7 8 9 10
Controlled	1 2 3 4 5 6 7 8 9 10
Stable	1 2 3 4 5 6 7 8 9 10
Alert	1 2 3 4 5 6 7 8 9 10
Idealistic	1 2 3 4 5 6 7 8 9 10
Obedient	1 2 3 4 5 6 7 8 9 10
Loving	1 2 3 4 5 6 7 8 9 10
Organized	1 2 3 4 5 6 7 8 9 10
Concentrates	1 2 3 4 5 6 7 8 9 10
Listens	1 2 3 4 5 6 7 8 9 10
Comprehends	1 2 3 4 5 6 7 8 9 10
Studious	1 2 3 4 5 6 7 8 9 10
Reads	1 2 3 4 5 6 7 8 9 10
Writes	1 2 3 4 5 6 7 8 9 10
Communicates	1 2 3 4 5 6 7 8 9 10

LEADERSHIP TRAITS

Delegates	1 2 3 4 5 6 7 8 9 10
Healthy	1 2 3 4 5 6 7 8 9 10
Enthusiastic	1 2 3 4 5 6 7 8 9 10
Energetic	1 2 3 4 5 6 7 8 9 10
Communicates	1 2 3 4 5 6 7 8 9 10
Committed	1 2 3 4 5 6 7 8 9 10
Knowledgeable	1 2 3 4 5 6 7 8 9 10
Tactful	1 2 3 4 5 6 7 8 9 10
Respected	1 2 3 4 5 6 7 8 9 10
Intuitive	1 2 3 4 5 6 7 8 9 10
Courageous	1 2 3 4 5 6 7 8 9 10
Dependable	1 2 3 4 5 6 7 8 9 10
Just	1 2 3 4 5 6 7 8 9 10
Flexible	1 2 3 4 5 6 7 8 9 10
Controlled	1 2 3 4 5 6 7 8 9 10
Empathetic	1 2 3 4 5 6 7 8 9 10
Ethical	1 2 3 4 5 6 7 8 9 10
Responsible	1 2 3 4 5 6 7 8 9 10
Decisive	1 2 3 4 5 6 7 8 9 10
Sincere	1 2 3 4 5 6 7 8 9 10
Adaptable	1 2 3 4 5 6 7 8 9 10
Positive	1 2 3 4 5 6 7 8 9 10
Skilled	1 2 3 4 5 6 7 8 9 10
Tolerant	1 2 3 4 5 6 7 8 9 10
Performer	1 2 3 4 5 6 7 8 9 10

ENTREPRENEUR DESCRIPTORS

Adventurous	1 2 3 4 5 6 7 8 9 10
Goal-Setter	1 2 3 4 5 6 7 8 9 10
Skilled	1 2 3 4 5 6 7 8 9 10
Creative	1 2 3 4 5 6 7 8 9 10
Decisive	1 2 3 4 5 6 7 8 9 10
Energetic	1 2 3 4 5 6 7 8 9 10
Self-Directed	1 2 3 4 5 6 7 8 9 10
Independent	1 2 3 4 5 6 7 8 9 10
Maverick	1 2 3 4 5 6 7 8 9 10
Strategist	1 2 3 4 5 6 7 8 9 10
Promoter	1 2 3 4 5 6 7 8 9 10
Dreamer	1 2 3 4 5 6 7 8 9 10
Visionary	1 2 3 4 5 6 7 8 9 10
Mission-oriented	1 2 3 4 5 6 7 8 9 10
Challenged	1 2 3 4 5 6 7 8 9 10
Catalyst	1 2 3 4 5 6 7 8 9 10
Positive	1 2 3 4 5 6 7 8 9 10
Planner	1 2 3 4 5 6 7 8 9 10
Organizer	1 2 3 4 5 6 7 8 9 10
Innovator	1 2 3 4 5 6 7 8 9 10
Leader	1 2 3 4 5 6 7 8 9 10
Prepared	1 2 3 4 5 6 7 8 9 10
Risker	1 2 3 4 5 6 7 8 9 10
Determined	1 2 3 4 5 6 7 8 9 10
Thrifty	1 2 3 4 5 6 7 8 9 10

ADVANCEMENT SKILLS

Organizing	1 2 3 4 5 6 7 8 9 10
Administering	1 2 3 4 5 6 7 8 9 10
Planning	1 2 3 4 5 6 7 8 9 10
Producing	1 2 3 4 5 6 7 8 9 10
Marketing	1 2 3 4 5 6 7 8 9 10
Operating	1 2 3 4 5 6 7 8 9 10
Budgeting	1 2 3 4 5 6 7 8 9 10
Evaluating	1 2 3 4 5 6 7 8 9 10
Communicating	1 2 3 4 5 6 7 8 9 10
Specializing	1 2 3 4 5 6 7 8 9 10
Networking	1 2 3 4 5 6 7 8 9 10
Coordinating	1 2 3 4 5 6 7 8 9 10
Negotiating	1 2 3 4 5 6 7 8 9 10
Learning	1 2 3 4 5 6 7 8 9 10
Researching	1 2 3 4 5 6 7 8 9 10
Mentoring	1 2 3 4 5 6 7 8 9 10
Risking	1 2 3 4 5 6 7 8 9 10
Integrating	1 2 3 4 5 6 7 8 9 10
Competing	1 2 3 4 5 6 7 8 9 10
Listening	1 2 3 4 5 6 7 8 9 10
Innovating	1 2 3 4 5 6 7 8 9 10
Creating	1 2 3 4 5 6 7 8 9 10
Manufacturing	1 2 3 4 5 6 7 8 9 10
Visualizing	1 2 3 4 5 6 7 8 9 10
Imagining	1 2 3 4 5 6 7 8 9 10

ACHIEVEMENT RECORDS

Takes Risks	1 2 3 4 5 6 7 8 9 10
Hard Worker	1 2 3 4 5 6 7 8 9 10
Self-organized	1 2 3 4 5 6 7 8 9 10
Competitive spirit	1 2 3 4 5 6 7 8 9 10
Quick learner	1 2 3 4 5 6 7 8 9 10
Generates money	1 2 3 4 5 6 7 8 9 10
Wins awards	1 2 3 4 5 6 7 8 9 10
Improved position	1 2 3 4 5 6 7 8 9 10
Manages people	1 2 3 4 5 6 7 8 9 10
Selling experience	1 2 3 4 5 6 7 8 9 10
Created something	1 2 3 4 5 6 7 8 9 10
Service oriented	1 2 3 4 5 6 7 8 9 10
Communicates well	1 2 3 4 5 6 7 8 9 10
Predicts future	1 2 3 4 5 6 7 8 9 10
Positive attitudes	1 2 3 4 5 6 7 8 9 10
Excellent habits	1 2 3 4 5 6 7 8 9 10
Proven performance	1 2 3 4 5 6 7 8 9 10
Accepts challenges	1 2 3 4 5 6 7 8 9 10
Eliminates failure	1 2 3 4 5 6 7 8 9 10
Accumulates wealth	1 2 3 4 5 6 7 8 9 10
Persistent drive	1 2 3 4 5 6 7 8 9 10
Teaches others	1 2 3 4 5 6 7 8 9 10
Influential contacts	1 2 3 4 5 6 7 8 9 10
Community involvement	1 2 3 4 5 6 7 8 9 10
Highly disciplined	1 2 3 4 5 6 7 8 9 10

SUPER GOALS

Future growth	1 2 3 4 5 6 7 8 9 10
Self-accepting	1 2 3 4 5 6 7 8 9 10
Problem solver	1 2 3 4 5 6 7 8 9 10
Behavorial — understanding	1 2 3 4 5 6 7 8 9 10
Successful habits	1 2 3 4 5 6 7 8 9 10
Justice advocate	1 2 3 4 5 6 7 8 9 10
Self-directed	1 2 3 4 5 6 7 8 9 10
Resists conformity	1 2 3 4 5 6 7 8 9 10
Independent thinker	1 2 3 4 5 6 7 8 9 10
Spiritually aware	1 2 3 4 5 6 7 8 9 10
Close friendships	1 2 3 4 5 6 7 8 9 10
Emotionally stable	1 2 3 4 5 6 7 8 9 10
Positive values	1 2 3 4 5 6 7 8 9 10
Peak experiences	1 2 3 4 5 6 7 8 9 10
Full life	1 2 3 4 5 6 7 8 9 10
Healthy body	1 2 3 4 5 6 7 8 9 10
Humorous personality	1 2 3 4 5 6 7 8 9 10
Profound philosophy	1 2 3 4 5 6 7 8 9 10
Spontaneous reactions	1 2 3 4 5 6 7 8 9 10
Loves mankind	1 2 3 4 5 6 7 8 9 10
Human Justice	1 2 3 4 5 6 7 8 9 10
Helps others	1 2 3 4 5 6 7 8 9 10
Autonomous self	1 2 3 4 5 6 7 8 9 10
Realistically oriented	1 2 3 4 5 6 7 8 9 10
Life appreciation	1 2 3 4 5 6 7 8 9 10

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DETERMINE YOUR EQ

DEFINITION: An "EN-TRE-PRE-NEUR" is an individual who creates, develops, and manages a business venture, with personal risk, for a potential profit.

DESCRIPTION: The EQ, more commonly known as the Entrepreneur Quotient, is a self-directed learning tool. It is not a test, but rather a method by which an individual can compare his own personal characteristics with those of successful entrepreneurs.

INSTRUCTIONS: Answer each question to the best of your ability. There is no time limit. Correct answers are given to each question to further stimulate your interest.

INTERPRETATION: Remember, this is not a test. If you cannot answer any of the questions, do not be alarmed. You can learn to be an entrepreneur. For those individuals who prefer a scoring format, the procedure below provides rough guidelines.

CORRECT NUMBER	
100	If you're not already an entrepreneur, you should be.
85	You're compatible. Get started.
70	You have potential. Study the rules.
55	You're behind, but you can still make it.
40	You don't seem to be interested, but that doesn't mean you can't make it.
25	You still have a chance. Go for it.
0	You're probably dead.

1. As a child, did you have a paper route, sell candy, magazine subscriptions, or shine shoes for money?
   ☐YES ☐NO
2. Did you come from a family that owned a business?
   ☐YES ☐NO
3. Do you have a relative who is in business?
   ☐YES ☐NO
4. Have you ever worked for a small firm where you had close contact with the owner?
   ☐YES ☐NO
5. Are you between the ages of 16 and 44?
   ☐YES ☐NO
6. Have you ever worked for a large company where you worked closely with a top manager?
   ☐YES ☐NO
7. Have you ever been fired from a job?
   ☐YES ☐NO
8. Do you have experience in organization, planning, budgeting, personnel, marketing, advertising, administration, evaluation?
   ☐YES ☐NO
9. If you are married, is your spouse supportive of the personal and financial risks involved in starting a business?
   ☐YES ☐NO
10. Do you have a library of "self-help" success books?
    ☐YES ☐NO
11. Are you respected by your peers at work and by your friends in other areas of your life?
    ☐YES ☐NO
12. Are you inquisitive, inventive, creative, innovative, and aggressive?
    ☐YES ☐NO
13. Do you enjoy solving problems?
    ☐YES ☐NO
14. Would you rather be your own boss?
    ☐YES ☐NO
15. Do you like to make things happen?
    ☐YES ☐NO
16. Do you enjoy taking personal and financial risks?
    ☐YES ☐NO
17. Were you a first-born child in your family?
    ☐YES ☐NO
18. Are you male or female?
    ☐FEMALE ☐MALE
19. Are you married or single?
    ☐MARRIED ☐SINGLE
20. Do you consider yourself a free and independent spirit?
    ☐YES ☐NO
21. Do you have a high need for achievement?
    ☐YES ☐NO
22. Did you have a good relationship with your father?
    ☐YES ☐NO
23. Small business employ over 50% of the workforce, generate 50% of all new jobs and account for 44% of the gross national product.
    ☐TRUE ☐FALSE
24. Do you take rejection personally?
    ☐YES ☐NO

25. Do you like to move around a lot?
☐YES ☐NO

26. Is it true that entrepreneurs make good managers?
☐YES ☐NO

27. To be a successful entrepreneur, an individual needs a lot of good luck.
☐TRUE ☐FALSE

28. Successful entrepreneurs often use the advice of expert outside consultants.
☐TRUE ☐FALSE

29. Do you believe that you can control your own destiny?
☐YES ☐NO

30. Are you a consistent goal setter, and results-oriented individual?
☐YES ☐NO

31. Have you ever been forced to move, gone through a divorce, or suffered the death of a spouse or parent?
☐YES ☐NO

32. Do you have specific experience in the area of business you plan to go into?
☐YES ☐NO

33. Personal savings is the most important source of start-up funds for entrepreneurs.
☐TRUE ☐FALSE

34. Do you have managerial skills?
☐YES ☐NO

35. Are you willing to work longer hours for the same salary you now make?
☐YES ☐NO

36. Do you have a college degree or special skills and knowledge from a vocational or technical school?
☐YES ☐NO

37. Do you know how to raise money for starting a business?
☐YES ☐NO

38. Do you like people?
☐YES ☐NO

39. Can you make quick decisions?
☐YES ☐NO

40. Do you have a high energy level?
☐YES ☐NO

41. Do your friends and acquaintances place a great deal of faith and trust in you?
☐YES ☐NO

42. Do you follow through with implementation when a decision has been made?
☐YES ☐NO

43. Do you believe in your own power to accomplish goals?
☐YES ☐NO

44. Are you willing to change your negative habit patterns?
☐YES ☐NO

45. Do you have high moral and ethical standards?
☐YES ☐NO

46. Do you have a good idea or product and/or know how to get one?
☐YES ☐NO

47. Do you know how to tap the power of your subconsious mind?
☐YES ☐NO

48. Are you dedicated and committed to being in business for yourself?
☐YES ☐NO

49. Do you know how to develop a business plan for presentation to a group of investors?
☐YES ☐NO

50. Can you inspire and motivate other individuals?
☐YES ☐NO

51. Do you know how to use radio, TV, direct mail, and space advertising?
☐YES ☐NO

52. Do you know what the four P's of marketing are?
☐YES ☐NO

53. Are you familiar with the OPM principle?
☐YES ☐NO

54. Do you know how to multiply your talents?
☐YES ☐NO

55. Do you know how the 20/80 rule affects success?
☐YES ☐NO

56. Have you ever made an assessment of your personality characteristics?
☐YES ☐NO

57. Have you ever determined your net worth?
☐YES ☐NO

58. Do you know what the 12 laws of universal success are?
☐YES ☐NO

59. Have you ever explored your career potential?
☐YES ☐NO

60. Do you believe in the power and success of self-directed learning?
☐YES ☐NO

61. Do you wake up happy 99% of the time?
☐YES ☐NO

62. Do you provide a period during each day for thinking, studying, planning, or relaxation?
☐YES ☐NO

63. Do you consider yourself ambitious?
☐YES ☐NO

64. Do you enjoy power, control and authority?
☐YES ☐NO

65. Would you be willing to quit your job today and start at the bottom?
☐YES ☐NO

66. Do you know how to determine the "break-even" point?
☐YES ☐NO

67. Do you know what motivates customer behavior and buying habits?
☐YES ☐NO

68. Student organizations such as ATA, VICA, DECA, FFA and others help students learn about entrepreneurship.
☐TRUE ☐FALSE

69. Do you know where to get information on franchising?
☐YES ☐NO

70. Do you know the rules of buying an existing business?
☐YES ☐NO

71. Are you willing to follow a proven success system even if it differs from yours?
☐YES ☐NO

72. The National Federation of Business is the largest small business organization in the United States.
☐TRUE ☐FALSE

73. Can you accept failure without admitting defeat?
☐YES ☐NO

74. Do you know how to project cash flow?
☐YES ☐NO

75. Do you know how to read a balance sheet and profit and loss statement?
☐YES ☐NO

76. Are you familiar with the current business and tax laws?
☐YES ☐NO

77. Are you familiar with the laws affecting recruitment and selection of personnel?
☐YES ☐NO

78. Do you know, or are you willing to learn how to sell?
☐YES ☐NO

79. Do you consider yourself enthusiastic, imaginative, and tenacious?
☐YES ☐NO

80. Are you willing to participate in both the profits and losses of a business?
☐YES ☐NO

81. Do you know how to protect your ideas from thieves?
☐YES ☐NO

82. Do you have a savings account?
☐YES ☐NO

83. Are you familiar with the principles of bartering?
☐YES ☐NO

84. Are you familiar with the rules and laws pertaining to investments?
☐YES ☐NO

85. Are you familiar with the 30,000 occupational titles in the United States?
☐YES ☐NO

86. Do you know how to get free publicity for your product or service?
☐YES ☐NO

87. Are you dissatisfied with your present employment or school work?
☐YES ☐NO

88. Women entrepreneurs represent about 7% of all self-employed.
☐TRUE ☐FALSE

89. Minority entrepreneurs represent about 5.5% of all self-employed.
☐TRUE ☐FALSE

90. On the average, incorporated self-employed persons make more than self-employed proprietors.
☐TRUE ☐FALSE

91. On the average, women entrepreneurs make less than men.
☐TRUE ☐FALSE

92. Do you know where to find business and operating ratios for specific industries?
☐YES ☐NO

93. Are you familiar with the differences between a general corporation, partnership, sub-chapter S, and proprietorship?
☐YES ☐NO

94. Do you know how to find adult training programs in entrepreneurship?
☐YES ☐NO

95. Are you familiar with the services offered by the SBA?
☐YES ☐NO

96. Are you familiar with the services offered by the Minority Business Development Agency and the Minority Business Development Centers?
☐YES ☐NO

97. Are you familiar with Federal government contracting and R&D monies available to small business?
☐YES ☐NO

98. If you are a parent of a teenager, are you familiar with entrepreneur programs available in high schools and colleges?
☐YES ☐NO

99. Are you familiar with business control systems such as accounting, recordkeeping, financial analysis, bookkeeping, profit centers, collections, forecasting, etc.?
☐YES ☐NO

100. Do you know the secrets of working with bankers, accountants, and attorneys?
☐YES ☐NO

101. The failure rate of most small business start-ups is about 80% within the first three years.
☐TRUE ☐FALSE

102. Immigrants have a high rate of entrepreneurship in the United States.
☐TRUE ☐FALSE

103. Over 90% of all business in the U.S. are small, employ fewer than 20 persons, and are organized as sole proprietorships.
☐TRUE ☐FALSE

104. The source of all creative ideas is based upon universal energy that flows through our brain and is activated by our subconscious mind.
☐TRUE ☐FALSE

ANSWERS TO THE EQ

1. Yes	27. True	53. Yes	79. Yes
2. Yes	28. True	54. Yes	80. Yes
3. Yes	29. Yes	55. Yes	81. Yes
4. Yes	30. Yes	56. Yes	82. Yes
5. Yes	31. Yes	57. Yes	83. Yes
6. Yes	32. Yes	58. Yes	84. Yes
7. Yes	33. True	59. Yes	85. Yes
8. Yes	34. Yes	60. Yes	86. Yes
9. Yes	35. Yes	61. Yes	87. Yes
10. Yes	36. Yes	62. Yes	88. True
11. Yes	37. Yes	63. Yes	89. True
12. Yes	38. Yes	64. Yes	90. True
13. Yes	39. Yes	65. Yes	91. True
14. Yes	40. Yes	66. Yes	92. Yes
15. Yes	41. Yes	67. Yes	93. Yes
16. Yes	42. Yes	68. True	94. Yes
17. Yes	43. Yes	69. Yes	95. Yes
18. Either	44. Yes	70. Yes	96. Yes
19. Either	45. Yes	71. Yes	97. Yes
20. Yes	46. Yes	72. True	98. Yes
21. Yes	47. Yes	73. Yes	99. Yes
22. Yes	48. Yes	74. Yes	100. Yes
23. Yes	49. Yes	75. Yes	101. True
24. No	50. Yes	76. Yes	102. True
25. Yes	51. Yes	77. Yes	103. True
26. No	52. Yes	78. Yes	104. True

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DISCOVER YOUR CQ

DESCRIPTION: The CQ is a self-scoring test of an individual's knowledge in the world of work. The 114 test items were structured around seven career steps from self evaluation to placement. Individuals cannot only test their own job market knowledge, but they can find the answers to their most pressing job search questions. The CQ is useful as a self-directed learning device as well as a motivational tool for stimulating group discussion in a career seminar.

INSTRUCTIONS: Although this is a knowledge test, try not to be nervous. The answers to each question are given beneath each question. In some cases, there can be additional items added to an answer, but in these instances, the answer was not expanded due to a lack of space, and our desire for you to think beyond the test. Sad, but true, an estimated 95 percent of the population will not know the answers to most of these questions. By learning the answers, you can increase your chances of becoming more successful at job hunting and final employment.

---

1. **A person working full time for 35 years, averaging 40 hours/week, for 50 weeks/year, will spend 70,000 hours at work?**

   T F

2. **What government book has the largest list of occupational descriptions?**

   Dictionary of Occupational Titles

3. **List three characteristics of selling:**

   (1) Opportunity (2) Contact (3) Close

4. **List five inexpensive government books that can provide you with a comprehensive view of the work in America?**

   (1) Guide for Occupational Exploration (2) Occupational Outlook Handbook (3) Exploring Careers (4) Classified Index of Industries and Occupations (5) Selected Characteristics of Occupations Defined in the D.O.T.

5. **What are the five stages of the Job Loss grieving process?**

   (1) Denial (2) Anger (3) Bargaining (4) Depression (5) Acceptance

6. **List five future trends that will affect an individual's career development in the next 10 years:**

   (1) More women working (2) Technological advances (3) Over-supply of talent to available jobs (4) Automation of machines (5) Reduction in work hours

7. **List five successful "Careering" Competencies:**

   (1) Networking (2) Mentoring (3) Risking (4) Connecting (5) Performing

8. **List five marketing tools for promoting yourself to an employer:**

   (1)Resume (2) Interview (3) Telephone (4) Letter (5) Advertisements

9. **List five ways of acquiring work skills:**

   (1) Apprentice (2) Home duties (3) Hobbies (4) School work (5) Volunteer

10. **List six major components of a successful plan for finding a job:**

    (1) Goal (2) Commitment (3) Desire (4) Activities (5) Time (6) Action

11. **List three follow-up techniques to an interview:**

    (1) Phone (2) Letter (3) Visit

12. **List those major factors that are necessary for gathering information about a company prior to an interview:**

    (1) Organizational structure (2) Products (3) Location (4) Size (5) Earnings (6) Benefits (7) Opportunities (8) Education (9) Entrance requirements (10) Salary scales (11) Disadvantages (12) Stability (13) Image (14) Control

13. **List five information facts you need to get in a good contact for a job interview:**

    (1) Name (2) Title (3) Job (4) Book (5) Close

14. **List five things you need to know prior to an interview:**

    (1) Date (2) Time (3) Interviewer (4) Place (5) Directions (6) Job title

15. **What sector of the American economy creates the most jobs?**

    Small businesses

16. **What is the major difference between an information interview and a job interview?**

    The information interview is non-stressful, and non-job seeking.

17. **How many job openings are there each year, over a 12-month period?**

    (1) New jobs: 1-2 million (2) Retirement: 2-3 million (3) Transfer/Turnover/Death/Fired: 19 million

18. **What percentage of all jobs require a college degree?**

    Twenty (20) percent

19. **What percentage of all jobs available are listed in the help wanted column of newspapers?**

    Twenty (20) percent

20. **What reason do most people give for not looking for a job?**

    Rejection

21. **List five turning points in a person's life that ultimately affects a career choice:**

    (1) Marriage (2) Divorce (3) Graduation (4) Children (5) Death of spouse

22. What is a job club?

A supporting network of unemployed persons directed by a teacher/facilitator

23. What are the two most important goals to achieve in a job interview?

(1) To get the interviewer to like you (2) To give you a job

24. What is an approximate range of costs for a business to advertise, hire, test, and interview the average employee?

$500 - $1,000

25. What does research show about job search methods and effectiveness rates for managers and engineers actively using a job club?

(1) Job club - 37% (2) Help wanted ads - 15% (3) Employment agencies - 2% (4) Business acquaintances - 16% (5) Professional associations - 4% (6) Position wanted ad - 0% (7) Resumes - 9% (8) Friends/Relatives - 1% (9) State employment office - 1% (10) Former Employer - 12% (11) Direct calls - 14%

26. List four ways people make decisions about their careers:

(1) Impulse (2) Habit (3) Routine (4) Default

27. Out of every 10 students who start college each year, what percent will not finish?

Fifty (50) percent

28. How many occupational titles are there in the United States?

30,000

29. List eight self-evaluation tools that can help you in deciding who you are:

(1) Autobiography (2) Journal (3) Interest survey (4) Values checklist (5) Personality inventory (6) Aptitude tests (7) Occupational survey (8) Physical test

30. Name six personal characteristics that turn potential employers off:

(1) Body odor (2) Dirty nails (3) Unkept shoes (4) Messy hair (5) Inappropriate clothes (6) Gaudy jewelry

31. List five factors important to employers in salary negotiation:

(1) History (2) Current salary (3) Replacement cost (4) Economy (5) Budget (6) Supply/Demand

32. Name three types of resumes:

(1) Historical (2) Functional (3) Biographical

33. List all the steps involved in the careering process:

(1) Self assessment (2) Life stage analysis (3) Occupational information (4) Alternative match (5) Searching methods (6) Decision making (7) Adjustment

34. List the major factors a college uses in the student selection process:

(1) Grades (2) Awards (3) G.P.A. (4) Personality (5) Motivation (6) Recommendations (7) Tests

35. List three ways to increase your income:

(1) Transfer (2) New position (3) Own business

36. List five jobs that do not require a high school diploma:

(1) Bartender (2) Guard (3) Dancer (4) Blacksmith (5) Model

37. List five jobs that require a high school education:

(1) Secretary (2) Electroplater (3) Locksmith (4) Typesetter (5) Cashier

38. List five jobs that require apprentice training:

(1) Carpenter (2) Machinist (3) Patternmaker (4) Meatcutter (5) Firefighter

39. List five jobs that require two years of college:

(1) Cosmetologist (2) Policeman (3) Programmer (4) Buyer (5) Drafter

40. List five jobs that require a four-year college degree:

(1) Accountant (2) Engineer (3) Teacher (4) Forester (5) Librarian

41. List five jobs that require graduate school:

(1) Physician (2) Minister (3) Professor (4) Psychiatrist (5) Lawyer

42. In most jobs, men make more than women. What is the percent difference?

Forty (40) percent

43. What does research show about job search methods used by blue collar workers?

(1) Employment agencies - 12.2% (2) Newspaper ads - 13% (3) Informal - 63.4% (4) Other - 10.5%

44. List the major resources for learning:

(1) High school (2) Business school (3) Technical school (4) Junior college (5) College (6) Graduate school (7) Correspondence school (8) Seminars (9) Workshops (10) Books (11) Apprenticeships (12) Mentors (13) Experience

45. List five ways to build self worth:

(1) Friendships (2) Goal setting (3) Achievements (4) Skill identification (5) Competency development (6) Positive feedback

46. What does research show about job search methods used by white collar workers?

(1) Employment agencies - 8.9% (2) Newspaper ads - 9.9% (3) Informal - 74.5% (4) Other - 6.7%

47. How long does it take to find the average job?

Five - six weeks

48. List six reasons that most people do not find work:

(1) Medical (2) Psychological (3) Attitude (4) Behavior (5) Situational (6) Employment history

49. What are your minimum chances of finding employment through 100 resume solications?

95 rejections, 4 interviews, and 1 potential offer

50. How many telephone calls can you expect to make in order to find one job opening?

Fifty (50) minimum

51. What are the main objectives of an information interview?

(1) Getting foot in the door (2) Network contacts (3) Clarifying job requirements (4) Learning about the company

52. List four methods of training for an interview:

(1) Video tape (2) Magnetic tape (3) Role playing (4) Information interview feedback

53 List five major benefits of being employed:

(1) Economic security (2) Recreational (3) Educational (4) Medical (5) Social status (6) Family (7) Mobility (8) Communications

54. List five major social factors associated with unemployment:

(1) Crime (2) Stress (3) Discrimination (4) Illness (5) Alcoholism (6) Family disintegration

55. How many unemployed persons can normally be placed through a job club after 5-6 weeks?

75 - 80%

56. List five positive work habits:

(1) Punctuality (2) Attendance (3) Production (4) Relationships (5) Following instructions/rules

57. What percentage of job seekers do not know the specific skills necessary for a successful job search?

Ninety-five (95) percent

58. List five major interview "Knockout" factors:

(1) Lacks skills (2) Poor manners (3) Bad language (4) No ambition (5) Poor presentation

59. List the six functions of management:

(1) Organization (2) Administration (3) Planning (4) Methodology (5) Budgeting (6) Evaluation

60. According to many employment specialists, the last person to be interviewed has the best chance to get the job?

T F

61. Eighty (80) percent of an iceberg lies beneath the water and controls its forward movement. What analogous part of our personality functions in the same way to move our behavior?

The unconscious mind

62. List three reasons most business fail:

(1) Lack of capital (2) Poor management (3) Bad idea

63. List six major characteristics of an entrepreneur:

(1) Creative (2) Independent (3) Determined (4) Motivated (5) Competitive (6) Risking

64. What organization offers free testing, free occupational information, and free job placement?

The United States Employment Service

65. Within a 45-year career lifespan, most people will change jobs about nine times?

T F

66. Most hiring is accomplished on the basis of a general formula, using 10% intelligence, 10% skills, and 80% personality?

T F

67. What are the four steps in building a successful philosophy of life?

(1) Image what you want to be (2) Find some friends who have the same vision (3) Decide on which attitudes are important (4) Practice until they become successful habits

68. What are the eight steps in making a decision:

(1) Identify the problem (2) Analyze its parts (3) Rank the alternatives (4) Collect information (5) Interpret the data (6) Re-evaluate (7) Decide (8) Estimate probability of success (9) Act

69. List five sources of occupational information:

(1) Company literature (2) Business directories (3) Telephone yellow pages (4) Books in library (5) Government publications

70. List 12 contact sources for potential jobs:

(1) School (2) Societies (3) Clubs (4) Military (5) Conventions (6) Sports (7) Hobbies (8) Church (9) Acquaintances (10) Businesses (11) Government (12) Medical

71. List 14 measurable human aptitudes:

(1) General intelligence (2) Verbal (3) Numerical (4) Spatial (5) Form perception (6) Clerical (7) Finger dexterity (8) Manual dexterity (9) Eye-hand-foot coordination (10) Color perception (11) Mechanical (12) Academic (13) Artistic (14) Musical

72. List the 10 developmental stages of human life:

(1) Prenatal (2) Birth (3) Infancy (4) Childhood (5) Pre-teen (6) Teen (7) Young adult (8) Adulthood (9) Old age (10) Death

73. List the 10 career stages affecting a person's life:

(1) Birth (2) Home environment (3) Role playing (4) Imagination (5) Exploratory (6) Experiencing (7) Commitment (8) Working (9) Retirement (10) Transition

74. Most occupations can be classified into 12 interest areas based upon similar worker requirements and personality characteristics. What are they?

(1) Artistic (2) Scientific (3) Plants/animals (4) Protective (5) Mechanical (6) Industrial (7) Business detail (8) Selling (9) Accommodations (10) Humanitarian (11) Leading/influencing (12) Physical/prototyping

75. Personality tests, interest inventories, occupational surveys, and psychological instruments can all predict your future career and success?

T F

76. Grades in school can predict your future occupational success?

T F

77. List six career development theories that explain how most people find their jobs:

(1) Personality (2) Accident (3) Self-concept (4) Publicity (5) Personal needs (6) Life stages

78. List those factors that exert a positive influence on career exploration and development:

(1) Tolerance (2) Objectivity (3) Confidence (4) Judgment (5) Achievement (6) Independency (7) Patience (8) Identification (9) Models (10) Opportunities (11) Maturity (12) Goals

79. List five primary motivating drives for explaining human behavior:

(1) Hunger (2) Mating (3) Thirst (4) Exploration (5) Maternal

80. List five physical working traits that affect career development:

(1) Strength (2) Handling (3) Seeing (4) Touching (5) Balancing

81. List five environmental conditions that affect career development:

(1) Location (2) Hazards (3) Atmosphere (4) Noise (5) Climate

82. List five social climates that affect career development:

(1) Adventurous (2) Competitive (3) Authoritarian (4) Individual (5) Pressured

83. List five leadership traits:

(1) Motivated (2) Determined (3) Disciplined (4) Knowledgeable (5) Confident

84. List 10 factors affecting a person's career life pattern:

(1) Education (2) Heredity (3) Environment (4) Personality (5) Values (6) Temperament (7) Lifestyle (8) Interests (9) Aptitudes (10) Skills (11) Intelligence

85. Define the term Career Development.

It is the process of developing mental pictures about future occupational choices, making decisions based upon matching job characteristics with personality traits, modifying our direction as we pass through various life stages, and fashioning a self identity within the world of work.

86. An individual's career decisions are usually based upon how his personality characteristics interact with his environment at any particular stage of life development?

T F

87. What is an Entrepreneur?

An individual who starts, owns, and manages a business venture.

88. List five skills necessary for a successful job hunt:

(1) Social (2) Methods (3) Motives (4) Investigative (5) Deciding

89. List five marketing concepts necessary to a successful job hunt:

(1) Positioning (2) Targeting (3) Research (4) Advertising (5) Selling

90. List five successful social skills for job searching:

(1) Cooperation (2) Honesty (3) Responsibility (4) Understanding (5) Appreciativeness

91. List five successful motivational skills for job searching:

(1) Initiative (2) Adaptability (3) Disciplined (4) Confident (5) Decisive

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92. List five positive emotions that can affect the job search:

(1) Faith (2) Hope (3) Love (4) Romance (5) Enthusiasm

93. What are the 10 laws of success?

(1) Know yourself (2) Condition your body (3) Educate your mind (4) Praise the soul (5) Develop positive attitudes (6) Set attainable goals (7) Commit to a cause (8) Practice success methods (9) Counsel with wise persons (10) Perform with results

94. List four categories of values that affect the career process:

(1) Rewards (2) Working (3) Moral (4) Survival

95. List five valued items affecting your career development pattern:

(1) Status (2) Power (3) Wealth (4) Independence (5) Adventure

96. List 10 characteristics of high school and college dropouts:

(1) Antisocial (2) Pessimistic (3) Radical (4) Destructive (5) Disoriented (6) Loveless (7) Hostile (8) Exploiting (9) Hyperactive (10) Unrealistic

97. List five sources of financial aid for obtaining an education:

(1) Government loans (2) Co-operative education (3) Scholarships (4) State grants (5) Part-time employment

98. List the elements of a good cover letter seeking an interview:

(1) Get attention (2) Create desire (3) Picture benefits (4) Prove advantages (5) Give testimony (6) Persuade reader (7) Push action (8) Postscript

99. What are the two main reasons employers hire employees:

(1) To make money (2) To save money

100. What are the signposts that a person passes on the path towards the development of a self image?

(1) Sensory (2) Exploration (3) Differentiation (4) Recognition (5) Identification (6) Imitation (7) Acting (8) Testing (9) Integration (10) Implementation

101. List those factors that influence occupational supply and demand:

(1) Earnings (2) Unions (3) Legislation (4) Training (5) Education (6) Population (7) Professors (8) Environment

102. List five national resources for occupational information:

(1) U.S. Department of Labor (2) U.S. Department of Commerce (3) U.S. Civil Service Commission (4) U.S. Employment Service (5) U.S. Department Health, Education and Welfare

103. What methods do employers use to screen disadvantaged job applicants?

(1) High school diploma - 28% (2) Reading ability - 85% (3) Writing ability - 85% (4) Personal appearance - 75% (5) Work experience - 26% (6) Job training - 28% (7) Skilled experience - 23% (8) Job reference - 50% (9) Testing - 35%

104. List the benefits of a college education, other than economics:

(1) Knowledge (2) Skills (3) Thinking (4) Character (5) Citizenship (6) Wisdom (7) Tolerance (8) Adaptability (9) Relationships (10) Justice (11) Courage (12) Personality

105. What criteria do employers use for disqualifying disadvantaged workers?

(1) Alcoholism - 35% (2) Drug use - 56% (3) Language problem -56% (4) Garnishment - 18% (5) Overweight - 20% (6) Other health problems - 59% (7) Arrest record - 25% (8) Prison record - 30%

106. List those skills that will help a person succeed in high school or college:

(1) Reading (2) Writing (3) Studying (4) Listening (5) Speaking (6) Concentration (7) Organization (8) Library (9) Research (10) Testing

107. List 10 major temperaments that can affect career development:

(1) Attentiveness (2) Adaptability (3) Persistence (4) Curiosity (5) Flexibility (6) Sensitivity (7) Rhythms (8) Energy (9) Sociability (10) Humor

108. List the major characteristics of a high school or college graduate:

(1) Social (2) Calm (3) Optimistic (4) Adaptable (5) Idealistic (6) Disciplined (7) Alert (8) Stable (9) Constructive (10) Satisfied

109. List six myths of the world of work:

(1) More college degrees mean a higher salary (2) If you are trained for a job, you'll get it (3) Only men have a right to work (4) Learning only takes place in schools and college (5) If you're a specialist, business will come knocking at your door (6) Occupations are stable over long periods of time

110. In terms of economics only, is a college degree worth the cost?

The amount spent in four years, plus the loss of wages, if invested over the lifetime of a worker, will exceed the cumulative salary over the same period of time.

Yes No

111. What is Career Education?

It is the process of imparting to others, or assimilating within oneself, theoretical and experiential knowledge and skills that prepare one for survival in future personal, economic, educational, and career roles.

112. What are the minimum/maximum range of costs for career assistance?

(1) College placement office: Free (2) State employment office: Free (3) Private employment agencies: 40-60% of first month's pay or 10-30% of yearly pay (4) Career consulting: $50.00/hour (5) Resume preparation: $100.00 (6) Executive search: 25-30% of compensation (7) Testing and evaluation: $25-$50/Test (8) Corporate outplacement: 15% of salary (9) Executive recruiting: 25-30% of compensation

113. What percent of all jobs require (1) reading, writing, and speaking the English language (2) high school graduation (3) college degree?

50% 30% 20%

114. What futuristic influences affect occupational choices?

1. Agri-Industrial – Informational shifts
2. Population changes
3. Technological achievements
4. Transportation systems
5. Legislative acts
6. Wars and natural disasters

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Appendix C

Forum Agenda

SECOND ANNUAL
NATIONAL ENTREPRENEURSHIP EDUCATION FORUM

September 5-6, 1984
The National Center for Research
in Vocational Education
Columbus, Ohio

AGENDA

Wednesday, September 5

9:00 a.m. CONFERENCE OVERVIEW

9:20 a.m. NATIONAL CENTER FOR RESEARCH IN VOCATIONAL EDUCATION'S ROLE IN ENTREPRENEURSHIP EDUCATION

Steve Gyuro
Associate Director for Programs
The National Center for Research
in Vocational Education

9:40 a.m. CRITICAL ISSUES SURROUNDING ENTREPRENEURSHIP EDUCATION--PRESENT, PAST, FUTURE--A FEDERAL PERSPECTIVE

Robert M. Worthington
Assistant Secretary
Office of Vocational and Adult Education
U.S. Department of Education

10:00 a.m. THE NEED FOR EDUCATION FOR THE SMALL BUSINESS SECTOR--THE WHITE HOUSE CONFERENCE 1980--A CALL FOR EDUCATION--WHERE DO WE GO FROM HERE?

George T. Solomon
Research and Development Specialist
Office of Management Assistance
U.S. Small Business Administration

10:20 a.m. FRANCHISING--THE BEGINNING ENTREPRENEUR'S TRAINING GROUND

Andrew Kostecka
Commodity Industry Specialist
International Trade Administration
U.S. Department of Commerce

10:40 a.m. ENTREPRENEURSHIP EDUCATION--COMMUNITY INVOLVEMENT--JUNIOR COLLEGE LINKAGES

Seymour Eskow
Project Director
Keeping America Working Project
American Association for Community
and Junior Colleges

11:00 a.m.	QUESTION AND ANSWER PERIOD
	Platform Guests and Participants
12:00 noon	LUNCHEON INTRODUCTION OF LUNCHEON SPEAKER
	James F. Robeson Professor of Marketing College of Administration The Ohio State University
12:50 p.m.	LUNCHEON ADDRESS: HOW I BECAME AN ENTREPRENEUR
	Graydon Webb President G.D. Ritzy's, Inc.
1:30 p.m.	BREAK AND BROWSE DISPLAY AREA
2:00 p.m.	WHAT WE KNOW ABOUT THE ENTREPRENEUR
	William Dunkelberg Chief Economist National Federation of Independent Business and Professor, Krannert Graduate School of Management Purdue University
2:30 p.m.	COORDINATION: OVERVIEW OF ENTREPRENEURSHIP
3:00 p.m.	GROUP MODEL PROGRAMS (Small Group Sessions)
	Dorothy Fenwick Associate Director American Council on Education
	Carol Eliason Director National Small Business Training Network American Association of Community and Junior Colleges
	Robert Brantley Associte Director Research The Institute for American Business
	Jerry Davis Assistant Professor in Marketing-- Distributive Educ. Entrepreneurship Education Project Oklahoma State University

Cynthia Kokle
Director
Business Center Marketing
Control Data Corporation

Bernie Schwartz
Executive Director
Education Network for Older Adults

3:50 p.m. BREAK

4:00 p.m. GROUP MODEL PROGRAMS (continued)

Betsy Schwammberger
Director of Education
National Federation of Independent Business

Edward West
Director of Continuing Education
Jefferson Technical College

Barry Palmer
Director of Continuing Education
Lehigh County Community College

Susan M. Garber
State Director
Pennsylvania Small Business Development Center
Wharton School, University of Pennsylvania

Lynda Rago
Small Business/Entrepreneurship Specialist
Minnesota State Board of Vocational-Technical Education

James W. Kunz
President
National Research Center for College and University Admissions

4.50 p.m. WRAP-UP

5:00 p.m. ADJOURNMENT

6:30 p.m. FORUM RECEPTION (Cash Bar)
University Hilton Inn
Host: International Council of Small Business

7:30 p.m. FORUM BANQUET

INTRODUCTION OF BANQUET SPEAKER

Lucille Campbell-Thrane
Associate Director
Personnel Development and Field Services
The National Center for Research
in Vocational Education

BANQUET ADDRESS: INTRODUCTION TO ENTREPRENEURSHIP

Ed Davis
Associate Executive Director
Distributive Education Clubs of America

AN INVITATION TO JOIN THE INTERNATIONAL COUNCIL OF SMALL BUSINESS

Doug Lajeunesse
Senior Vice President
Canadian Federation of Independent Business

Thursday, September 6

8:30 a.m. PANEL - RESOURCES AVAILABLE TO THE ENTREPRENEUR

Carol Eliason
Director
National Small Business Training Network
American Association of Community and
Junior Colleges

John Russell
Business Development Specialist
Minority Business Development Agency
U.S. Department of Commerce

Donald M. Clark
President and Chief Executive Officer
National Association for Industry-Education
Cooperation

Mary Hanrahan
Special Assistant to the Assistant Secretary
Office of Vocational and Adult Education
U.S. Department of Education

9:30 a.m. EDUCATING AND TRAINING THE POTENTIAL AND EXISTING ENTREPRENEUR (Small Group Sessions)

David Gillette
Chief
Bureau of Economic Development Coordination
New York State Education Department

David Harriman
Director
Vocational Planning
Missouri Department of Elementary and Secondary Education

John Frazier
Program Director
Marketing and Distributive Education
Florida State Department of Education

11:00 a.m. REPORT (Small Groups)

11:30 a.m. LUNCHEON
INTRODUCTION OF LUNCHEON SPEAKER

Mark Newton
Associate Director
Organizational Development
The National Center for Research in Vocational Education

12:00 noon LUNCHEON ADDRESS: THE IMPORTANCE OF THE SMALL BUSINESS SECTOR TO THE AMERICAN ECONOMY

Frank Swain
Chief Counsel, Office of Advocacy
U.S. Small Business Administration

1:00 p.m. COLLABORATION MODEL - JTPA AND VOCATIONAL EDUCATION

Darrell L. Parks
State Director of Vocational Education
Ohio Department of Education

1:30 p.m. INCUBATION MODELS

Marj P. Leaming
Assistant to the Associate Director
Colorado State Board for Community Colleges and Occupational Education

2:00 p.m. PANEL-HOW CAN WE GET SUPPORT FOR ENTREPRENEURSHIP?

Betsy Schwammberger
Director of Education
National Federation of Independent Business

Mary Williams
Senior Consultant
Control Data Business Advisors
Small Business Services Company

Terrence Singer
Project Manager
Training Department
National Alliance of Business

Ed Davis
Associate Executive Director
Distributive Education Clubs of America

James W. Kunz
President
National Research Center for College and University Admissions

3:00 p.m. MESHING THE FEDERAL, STATE, AND LOCAL INITIATIVES

Charles Liner
Manager of Training
U.S. Small Business Administration

Lynda Rago
Small Business/Entrepreneurship Specialist
Minnesota State Board of Vocational-Technical Education

3:45 p.m. CLOSING REMARKS

4:00 p.m. ADJOURNMENT

Friday, September 7

9:00 a.m. MEETING OF THE NATIONAL ENTREPRENEURSHIP EDUCATION CONSORTIUM, MADE UP OF THE STATES OF ALASKA, CALIFORNIA, COLORADO, FLORIDA, HAWAII, ILLINOIS, IOWA, KENTUCKY, MASSACHUSETTS, MINNESOTA, MISSISSIPPI, MISSOURI, NEW MEXICO, NEW JERSEY, NEW YORK, OHIO, OKLAHOMA, OREGON, TENNESSEE, VERMONT, VIRGINIA, WEST VIRGINIA, AND WISCONSIN

Appendix D

Revised Participant List

SECOND ANNUAL
NATIONAL ENTREPRENEURSHIP EDUCATION FORUM

September 5-6, 1984

The National Center for Research in Vocational Education
Columbus, Ohio

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